JOURNAL

of the

HOUSE OF REPRESENTIVES

of the

General Assembly

of the

Commonwealth of Kentucky

Extraordinary Session of 1988

Held in the State Capitol in the Capital City of Frankfort, at
Frankfort, in the Year of Our Lord 1988, and
in the One Hundred and Ninety-Sixth
Year of the Commonwealth

Begun on the Twenty-Eighth Day of November, 1988, and Adjourned
Sine Die on the Fourteenth Day of December, 1988.

Paid for from state funds.

FOREWORD

The Constitution requires each house of the General Assembly to keep a Journal of its proceedings. The Journal is intended to assure a public account of legislative activity and constitutes the final official record of action by the General Assembly.

Under the provisions of Sections 6.161, 6.162 and 57.151 of the *Kentucky Revised Statutes*, the Legislative Research Commission is responsible for comparing, editing, correcting, and publishing the Journals as approved by each house of the General Assembly. This volume represents the fulfillment of this obligation for the Extraordinary Session of the House of Representatives of 1988.

The text of a bill is spread in full when it receives a first reading. The vote on passage of a bill is indicated upon its receipt of a third reading, or upon concurrence by the originating house in amendments by the second house. Simple and concurrent resolutions are printed on first reading when applicable or when adopted, and joint resolutions are treated as bills. A table of actions on bills and resolutions is appended.

Mrs. Jean Wallace and Mrs. Wilda Bond prepared the House Journal for the 1988 Extraordinary Session. The edited copy and index in this volume reflect the cooperative efforts of the Commission's staff.

VIC HELLARD, JR.
Director

The Capitol
Frankfort, Kentucky
1988

JOURNAL

OF THE

HOUSE OF REPRESENTATIVES

OF THE

GENERAL ASSEMBLY

OF THE

COMMONWEALTH OF KENTUCKY

EXTRAORDINARY SESSION OF 1988

MONDAY, NOVEMBER 28, 1988

FIRST LEGISLATIVE DAY

At an Extraordinary Session of the General Assembly of the Commonwealth of Kentucky, held at the Capitol in the City of Frankfort, and begun on November 28, 1988, the one hundred and ninety-seventh year of the Commonwealth, in compliance with a Proclamation issued by the Governor of the Commonwealth of Kentucky, the Honorable Wallace G. Wilkinson, the House of Representatives was called to order by the Honorable Donald J. Blandford, Speaker of the House of Representatives.

Prayer by Dr. Donald Nunnelly, Pastor, First Christian Church, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Deskins and Moberly.

Representative McElroy moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

The Speaker announced that the Journal will reflect the membership of the House of Representatives is the same as it was at the Regular Session of 1988.

Introduction of Bills and Resolutions

HR 1, by Representatives Blandford, Worthington, Stumbo, Rapier and Richards: A RESOLUTION adopting Rules to govern the proceedings of the 1988 Extraordinary Session of the House of Representatives.

HR 2, by Representatives, Blandford, Worthington, Stumbo, Rapier and Richards: A RESOLUTION extending an invitation to the pastors of the Frankfort churches to open sessions of the 1988 Extraordinary Session of the House of Representatives with prayer.

HR 3, by Representatives Blandford, Worthington, Stumbo, Rapier and Richards: A RESOLUTION directing appointment of a committee to wait upon the Governor.

HB 1, by Representative Stumbo: AN ACT creating a state lottery, making an appropriation therefor, and declaring an emergency.

Representative Stumbo moved that the rules be suspended to act upon Resolutions. Agreed.

Representative Stumbo moved the adoption of the following **HR 1**:

HR 1, A RESOLUTION adopting Rules to govern the proceedings of the 1988 Extraordinary Session of the House of Representatives.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That, except as provided in Sections 2 and 3 of this resolution, the Rules adopted by the House of Representatives to govern the Regular Session of 1988 be adopted to govern the Extraordinary Session of 1988.

Section 2. That Rule 49 of the Rules of the House of Representatives be amended to read as follows:

Rule 49. Procedure in Committee. The rules of procedure in the House shall be observed in committee insofar as the same are applicable. The committee chairman, or the committee by majority vote in a regularly called meeting, shall post at least *one* [~~three~~] calendar *day* [~~days~~] prior to their consideration the bills and resolutions to be considered by the committee at its next meeting *and no* [~~provided that no bill or resolution shall be posted by the chairman or the committee by a majority vote unless and until a request for posting form has been filed with the committee chairman or secretary and approved as containing satisfactory information by the committee chairman. No~~] measure shall be considered except those posted. A list of the measures to be considered shall be filed with the Clerk at least *one* [~~three~~] calendar *day* [~~days~~] prior to the meeting. [~~Effective with the regular session of 1988, in the case of prefiled bills receiving a favorable expression from the interim joint committee to which they were assigned, posting by the chairman or the committee shall occur during the first week of the session, and such bills shall be considered by the appropriate committee during the first three weeks of the session. No posting request shall be required for such prefiled bills. This rule does not apply to bills with a fiscal impact of more than $20,000.~~]

Section 3. That Rule 51 of the Rules of the House of Representatives be amended to read as follows:

Rule 51. Introduction of Bills. Bills and resolutions may be introduced by filing them with the Bill Introduction Clerk in her office at any time the same is open. Bills and resolutions introduced by filing them with the Bill Introduction Clerk after the House has concluded Item 4, in Rule 4, Order of Business, shall be considered as having been introduced the next succeeding legislative day. The Bill Introduction Clerk shall number bills in the order received and transmit a copy immediately after introduction on the House floor to the Committee on Committees for reference to committee. [~~No bill or resolution having the force of law shall be introduced after the thirty-eighth legislative day of the session. The last two legislative days preceding the veto recess shall be reserved by the House exclusively for the business of concurring in amended House Bills.~~]

HR 1 was adopted by voice vote.

Representative Stumbo moved the adoption of the following **HR 2**:

HR 2, A RESOLUTION extending an invitation to the pastors of the Frankfort churches to open sessions of the 1988 Extraordinary Session of the House of Representatives with prayer.

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Sergeant at Arms be directed to invite the pastors of the various churches of Frankfort to attend the meetings of the 1988 Extraordinary Session of the House of Representatives and open the sessions thereof with prayer.

HR 2 was adopted by voice vote.

Representative Stumbo moved the adoption of the following **HR 3**:

HR 3, A RESOLUTION directing appointment of a committee to wait upon the Governor.

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Speaker appoint a committee of this House to join a like committee from the Senate to wait upon the Governor and inform him that the General Assembly is prepared to receive any message he may care to deliver.

HR 3 was adopted by voice vote.

The Speaker announced the appointment of the following committee to wait upon the Governor: Representatives Hancock, Hourigan and White.

The Clerk read the following Proclamation:

PROCLAMATION
by
WALLACE G. WILKINSON
Governor
of the
COMMONWEALTH OF KENTUCKY

To All To Whom These Presents Shall Come:

Pursuant to the power vested in me by Section 80 of the Constitution of the Commonwealth of Kentucky, I, Wallace G. Wilkinson, Governor of the Commonwealth of Kentucky, do issue this my proclamation, convening the Kentucky General Assembly in Extraordinary Session at the Seat of Government, Frankfort, Kentucky at 1:00 P.M. (EST), Monday, November 28, 1988, for the sole purpose of considering the following subjects:

(1) The enactment of legislation implementing a state lottery as authorized by Section 226 of the Constitution of the Commonwealth of Kentucky.

(2) The enactment of legislation establishing a one-time bonus for Vietnam-era veterans or, if deceased, for certain of their heirs.

(3) The enactment of legislation relating to programs for early childhood development.

(4) The enactment of legislation relating to programs for the elderly.

(5) The allocation of the net proceeds of the lottery equally among a one-time bonus for Vietnam-era veterans, early childhood programs and programs for the elderly until June 30, 1990, and of subsequent years' proceeds, beginning July 1, 1990, equally between early childhood programs and programs for the elderly.

(6) The appropriation of funds to carry out the enactment of the subjects in this proclamation.

DONE AT THE CAPITOL, in the City Frankfort, this the 11th day of November, in the year of our Lord One Thousand Nine Hundred Eighty-eight and in the year of the Commonwealth the One Hundred Ninety-seventh.

s/ WALLACE G. WILKINSON

Recess

Representative Stumbo moved the House recess for a meeting of the Committee on Committees. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Reference of Bills and Resolutions

The Clerk reported the Committee on Committees has referred the following Bill:

State Government: **HB 1**.

Posting of Bills and Resolutions for Consideration

The Clerk announced the following Bill has been posted for Committee consideration:

State Government: **HB 1**.

Representative Stumbo moved the House stand at ease to await the Governor. Agreed.

Representative Stumbo moved that the privileges of the floor be granted to the constitutional officers and invited guests. Agreed.

The Committee appointed to wait upon the Governor reported that the Governor was ready to address the Joint Session.

The Chief Doorkeeper announced the arrival of the Lt. Governor.

The Honorable Brereton C. Jones, Lieutenant Governor of the Commonwealth of Kentucky and President of the Senate, and the members of the Senate entered upon the floor of the House.

Representative Stumbo moved that the House and Senate resolve into Joint Session. Agreed.

The Speaker introduced the Honorable Brereton C. Jones, Lieutenant Governor of the Commonwealth of Kentucky and President of the Senate, who assumed the Chair and called the Joint Session to order.

Joint Session

Representative Stumbo moved to dispense with a call of the roll. Agreed.

The Chief Doorkeeper announced the arrival of the Governor.

The Committee of the House, appointed to join with a like Committee of the Senate to wait upon the Governor and escort him to the House Chamber to address the Joint Session, appeared with the Governor.

The Honorable Brereton C. Jones introduced the Honorable Wallace G. Wilkinson, Governor of the Commonwealth of Kentucky.

Governor Wilkinson addressed the Joint Session of the General Assembly as follows:

Lt. Governor Jones . . . Speaker Blandford . . . President Rose . . . Chief Justice Stephens . . . distinguished members of the General Assembly . . . Constitutional Officers . . . my fellow Kentuckians.

This is the third opportunity I have had to address the General Assembly in joint session. It is by far the most pleasant because, today, we begin the final steps in fulfilling a promise I made to the people of Kentucky — to give them a lottery.

Thank you members of the General Assembly for putting the lottery on the ballot and thank you, my fellow Kentuckians, for approving it.

The lottery is another step toward bringing common sense to state government, a process we began back

in January. Those early days were difficult. It is hard, as you know, to make people happy when resources are limited.

I don't think any administration or any General Assembly has ever faced the challenge we faced when I took office December 8th of last year, and you convened in January.

The Commonwealth had already experienced three budget cutbacks in the biennium. We faced a fifty-three million dollar ($53,000,000) budget deficit. We faced a state employee and teacher health insurance crisis. Our credit rating was at risk. The state of the Commonwealth was, as I told you January 21st, miserable.

We were following a path, as I said the next week in my budget address, that would only lead to continued frustration for you, for me, and for the people of this Commonwealth. We were at a crossroads, I said. We could either choose the ways of the past or chart a new course toward a stronger, more competitive Kentucky.

Together, we abandoned the easy road, easy answers, temporary solutions. We chose instead to accept the challenge of changing Kentucky forever. This General Assembly has not received the credit you deserve for accepting that challenge. We started the 1988 Session with a comprehensive agenda of new ideas. The realities of the budget dictated sacrifices and hard choices. Yet, in most areas, you supported those new ideas. And today, our frustration is turning to enthusiasm.

I told you in January that I was optimistic about the future because, as Kentuckians, I knew we would fight back . . . that we would make the hard choices . . . and set a new course. In those early days — days of negotiation and compromise — we forged the beginnings of a new Kentucky. A stronger, more competitive Kentucky — ready for the challenges of the future.

I made major commitments when I campaigned for governor. Number one, I promised to insist on sound management practices and fiscal responsibility and to reject a tax increase until first demonstrating to the taxpayers of Kentucky that their tax dollars are well spent.

Number two, I promised to do everything in my power to jump start our economy and to improve per capita income.

Number three, I promised to reorder our priorities to achieve a new emphasis on areas that had been overlooked and neglected in the past.

And, number four, I promised to promote the adoption of a state lottery.

With one notable exception, we are well on our way to achieving our goal of a new Kentucky. The exception is education. I know that the members of this General Assembly are as anxious as I am to work out a plan for improving Kentucky schools and for funding them. Early next year we are going to do that.

As I have traveled across Kentucky, I have seen the results of our efforts in those early days. And I am more optimistic than ever. Forty-five thousand more Kentuckians are working today than were working one year ago. Unemployment is at a nine year low. Our efforts to bring jobs to our counties are working.

There is a new spirit across the state. A spirit that says we can compete. That we will be strong again. We did the common sense things, we told the people of Kentucky what we were going to do.

You accepted new ideas in economic development to help rural Kentucky by approving model legislation that is sure to be copied in other states. You approved unprecedented measures to support families and children. You supported a new, practical commitment to tourism. You adopted a 29% increase in funding for employee and teacher health insurance. You approved the largest road resurfacing program in our state's history.

The list goes on and on, highlighted by your approval of a constitutional amendment to let the people of Kentucky vote on the lottery.

Of the commitments I made, the lottery received, by far, the most attention. I stand before you this afternoon, humbled and grateful. Humbled by the overwhelming vote the people of Kentucky gave the lottery. And,

grateful to you, the members of the General Assembly for enacting House Bill 1 — putting the lottery on the ballot.

The people have spoken. Now, it is up to us to give them the best lottery in America.

I am here today to propose for your consideration the promise I made to the people of Kentucky during my campaign for governor. I promised them that I would work for the passage of the lottery. And that I would seek enactment of legislation that would utilize the proceeds from a lottery to fund programs for children and senior citizens, and to pay for a one-time Vietnam veterans' bonus.

House and Senate leadership have graciously agreed to introduce three bills on my behalf that would accomplish those goals. The legislation creating the lottery which I am proposing is the product of a commission I appointed last summer.

The Kentucky Lottery Commission was chaired by Frank Keener. Senator Wright and Representative Stumbo were members of the commission along with distinguished Kentuckians from all regions of the state, all walks of life, and both political parties. They did an outstanding job and I want to take this opportunity to thank them publicly for their time and effort. They studied lotteries all across the United States. They studied lotteries in Canada. They spent countless hours studying what has worked and what hasn't worked. As one commission member put it: "We have incorporated all the good elements we found and avoided the bad."

We have taken full advantage of the experience of states that already have lotteries. Lottery directors from some of those states will testify before your committees during this Session.

The legislation we are proposing recognizes that a lottery is not a typical state service. Its purpose is to make a profit from the sale of a consumer product. It should be managed to provide entertainment and to maximize revenue to the Commonwealth. Decisions of the lottery need to be made on a business basis, free of political influence.

The administrative agency for the lottery needs the same flexibility to react to changes in market conditions as do private enterprises.

We are recommending, therefore, a corporate structure similar to private enterprise but full accountable to the General Assembly, the governor and the people of Kentucky. The corporation will be owned by the people of the Commonwealth and all profits will go to their benefit.

You have before you the details of how the corporation would be set up and managed. This is the best mechanism, in my opinion, to halt the flow of Kentucky dollars to other states and to maximize the revenue we can generate for Kentucky. It will allow our lottery to have the flexibility and power to compete in an increasingly competitive environment.

In creating a Kentucky lottery we are starting, from scratch, a 250 to 300 million dollars-a-year business — one of the largest in this state. It will mean jobs for Kentuckians. High-tech jobs in computers. Jobs in sales and marketing. It will create a network of lottery retailers each earning a commission on the sale of lottery tickets. It is an industry in its own right with tremendous economic impact.

Recognizing the great potential and the great responsibility of the new lottery commission, it must be of the highest integrity. Free from politics, free from unnecessary influence, and free from corruption.

The structure of the lottery we are proposing assures that Kentucky's lottery will be run fairly and honestly, and will be completely accountable to the people of this state at all times.

Just as important as the integrity of the lottery is our commitment to the people of the Commonwealth to invest the proceeds wisely. Those who defended our freedom during the Vietnam war are as deserving of recognition from us as the soldiers in other wars at other times.

I am asking you to authorize the Department for Military Affairs to begin the process of determining those eligible for a one-time Vietnam Veterans' bonus. I am proposing that one-third of all lottery proceeds

until June 30, 1990, be set aside for the purpose of paying the bonus. At the regular 1990 Session, we will present legislation recommending the dollar amount of the bonus.

I am proposing that the remaining two-thirds of lottery proceeds during the first year be invested in programs for early childhood education and development and senior citizens.

I do not believe lottery proceeds should supplant our commitment to basic programs and services but, instead, should be used to take care of special needs. My recommendations would direct the proceeds to adult day care, prescription medicines and home care for the elderly. They would allow us to invest in our children, with more money for prenatal and neonatal care, well-child programs and the establishment of additional preschool and early childhood education programs.

The influence of lottery proceeds on these senior citizens programs will allow us to help literally thousands more senior Kentuckians retain their independence by not being prematurely placed in nursing homes or hospitals. With the funds we are proposing we can extend home care to an additional 6,500 older Kentuckians. A major new initiative to provide prescription medicine could assist over 133,000 senior citizens — those hardest hit by the rising cost of health care.

The value of early childhood education and development rests on the theory that it is easier to build than to repair. We know that the first five years of a child's life is a critical period for establishing the foundation, for social emotional, mental and physical growth. Early intervention is best for the child and a better utilization of our dollars.

Infant mortality in Kentucky is alarmingly high. We must start now saving the lives of these children. If we are truly committed to investing in our future, we have to start by giving every child in this Commonwealth a chance. A chance to live. A chance to grow. A chance to dream. A chance to learn. A chance to thrive.

I want to expand medicaid eligibility to more pregnant women and infants. I want to expand the comprehensive well-child program for children up to five years of age. I want to provide funds for new and expanded preschool and development programs to enhance educational readiness for all children, and to better serve those children judged to be at risk.

If we are truly committed to providing every opportunity for our children to learn to the best of their ability, we must begin now paying attention to our four year olds.

Finally, I want to expand the Parent and Child Education Program. The Pace Program was recently recognized by the Ford Foundation as one of the most innovative and effective programs in state government. Likewise, we need to recognize Pace as one of our most valuable educational resources for adults and their children.

During the holiday season, in particular, we rejoice in the strength and love of our families. It is an appropriate time to dedicate ourselves to enriching the lives of our senior citizens and children.

I hope you will consider these recommendations as wise and prudent investments in a stronger Kentucky.

I think we can begin selling lottery tickets by April. We can expect to have lottery proceeds available on July 1, 1989. We could begin funding some of the programs I have recommended as soon as the money is available for transfer from the lottery account. Others will not need funds until they are established and as eligibility requirements are met.

One of the important changes we made early in my Administration was to significantly improve and enhance the reliability of revenue forecasting. I am not proposing that we spend money we don't have. I will never do that. However, we are confident that our estimates accurately reflect anticipated revenue, whether they are estimates of general revenue or lottery revenue.

Step one is to establish the best lottery in America. Step two is to begin to invest the proceeds in positive programs as soon as possible.

Our most important task is still before us. That task is to determine the future course of education in

Kentucky. I have proposed what I consider to be strong positive, progressive ideas that would fundamentally restructure the way we educate children in this state.

I have never claimed to have every good idea. Nor have I ever said that only my ideas should be considered. We owe it to our children to look at every good idea for improving education in Kentucky.

Throughout the summer and into the fall, all three branches of government have been looking, together and independently at ways to improve our schools. I think our efforts are going to result in a strong, positive agenda for change. I am confident that the same spirit of cooperation and determination to move Kentucky forward, that brought us the lottery, will prevail when we reassemble to meet the challenge of improving Kentucky's schools.

In closing, let me extend to each of you a special invitation from my family and from your fellow Kentuckians to celebrate the spirit of the season with the lighting of the state Christmas tree tonight. Join us on this festive occasion as we give thanks for our many blessings.

We have much to be thankful for this holiday season. Our families are strong, our communities are supportive, our courage is abundant.

We are indeed on a new road towards a more competitive Kentucky. We have established a solid foundation on which to build. There are more challenges ahead and new opportunities.

I am filled with optimism for the future because I know we will meet each challenge with determination and rise to each new opportunity with enthusiasm.

Together, we are making Kentucky strong again. May God bless and guide you in your task.

Representative Stumbo moved that the Joint Session of the House and Senate be dissolved. Agreed.

The Speaker resumed the chair.

Representative Stumbo moved the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 4, by Representatives Stumbo, Bruce, Adkins, Allen, Altman, Bronger, M. Brown, Burch, L. Clark, Clarke, Cyrus, Donnermeyer, Geveden, Gregory, J. Harper, Jackson, A. Jones, R. Jones, Layman, Lefevers, LeMaster, Long, Lyne, McElroy, Morris, Napier, Nett, Noe, Noland, Northup, Reinhardt, Richards, P. Richardson, Riner, Robinson and Scorsone: A RESOLUTION adjourning the House of Representatives in memory of Mrs. Betty Brinkley of Madisonville, Kentucky.

Representative Stumbo moved the adoption of the following **HR 4**:

HR 4, A RESOLUTION adjourning the House of Representatives in memory of Mrs. Betty Brinkley of Madisonville, Kentucky.

With heartfelt sorrow we extend our condolences to our dear friend Bill Brinkley upon the passing of his beloved wife Betty.

WHEREAS, we share in the sorrow of the untimely passing of Betty Brinkley; and

WHEREAS, Betty Brinkley crossed that final bourne from which no traveller returns at the young age of 57; and

WHEREAS, Betty Brinkley was the beloved wife of our friend and colleague Senator Bill Brinkley; and

WHEREAS, Betty Brinkley was a devoted mother and grandmother — cherished by her children Terri, Jenny and Jeffrey, as well as by her grandchildren David and Blake; and

WHEREAS, Betty Brinkley was a member of the First United Methodist Church of Madisonville; and

WHEREAS, Betty Brinkley had been a dedicated employee of the Hopkins County Board of Education since July of 1974; and

WHEREAS, Betty Brinkley was a remarkable woman whose presence will be sorely missed by her many friends and loved ones throughout the community and across the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of this august body do hereby express their profound sense of bereavement and loss upon the unexpected death of Betty Brinkley.

Section 2. That we do commend the family and friends of Betty Brinkley to the solace of the Almighty for comfort during these dark hours and to gain the strength to deal with the many difficult days ahead.

Section 3. That the House proffers its deepest respect to our longtime friend and colleague Bill, your love for Betty will live forever.

Section 4. That when the House of Representatives of the General Assembly of the Commonwealth of Kentucky does adjourn this day, Monday, November 28, 1988, it does so in memory and honor of Betty Brinkley.

Section 5. That the Clerk of the House is hereby directed to transmit a copy of this resolution to Senator Bill Brinkley and the members of his family.

HR 4 was adopted by voice vote.

Representative Stumbo moved that a call of the roll be taken to show co-sponsors of **HR 4**. Agreed.

The following members requested that their names be added as Co-Sponsors of **HR 4**: Ackerson, Adams, Adkins, Allen, Altman, Ark, Arnold, Ballard, Barrows, Blandford, Blevins, Bronger, J. Brown, M. Brown, Bruce, Burch, Callahan, Casebier, Castleman, L. Clark, P. Clark, Clarke, Cline, Crupper, Curd, Cyrus, Donnermeyer, Farrow, Ford, Freibert, Gedling, Geveden, Gray, Gregory, Guenthner, Hancock, Handy, J. Harper, K. Harper, Hatcher, Heleringer, Hoover, Hourigan, Jackson, Johnson, A. Jones, R. Jones, T. Jones, Keith, Kerr, Layman, Lefevers, LeMaster, Lile, Little, Long, Lundergan, Lyne, Mack, Maggard, Mason, McBee, McElroy, Meyer, Morris, Napier, Nett, Noe, Noland, Northup, O'Brien, Overstreet, Preston, Priddy, Pritchett, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Ridley, Riner, Robinson, Scorsone, Seum, Siler, B. Smith, R. Smith, Strong, Stumbo, Todd, Turner, Walker, White, Will, Worthington, Yates.

Representative Stumbo moved the rules be suspended for Introduction of Bills and Resolutions. Agreed.

Introduction of Bills and Resolutions

HB 2, by Representative Clarke: AN ACT relating to state programs benefiting from the state lottery and making appropriations therefor.

HB 3, by Representative Donnermeyer: AN ACT creating a state lottery, making an appropriation therefor, and declaring an emergency.

HB 4, by Representative Stumbo: AN ACT relating to payment of a bonus to certain veterans who served during the Vietnam conflict and certain persons deriving from them, providing for funding thereof, and appropriating funds for administration.

HR 5, by Representative Casebier: A RESOLUTION adjourning the House of Representatives in memory and honor of Louis Gilbert Melton, Sr.

Announcements

The following meetings were announced:

State Government: Today upon adjournment, Room 109; Tues., November 29, 1988, Wednesday, November 30, 1988, and Thursday December 1, 1988 at 9:00 a.m. in Room 116; To reconvene each day at 2:00 p.m.

Minority Caucus in Room 103 upon adjournment.

Democratic Caucus, State Reception Room upon adjournment.

Adjournment

Representative Stumbo moved that the House adjourn until 1:00 p.m., Tuesday, November 29, 1988.

On the roll call the vote was yeas 73—Ackerson, Adams, Adkins, Allen, Altman, Ark, Arnold, Ballard, Barrows, Blandford, Blevins, M. Brown, Burch, Callahan, Casebier, Castleman, L. Clark, P. Clark, Clarke, Cline, Curd, Cyrus, Donnermeyer, Farrow, Ford, Freibert, Gedling, Geveden, Gray, Gregory, J. Harper, K. Harper, Hoover, Hourigan, Jackson, Johnson, A. Jones, T. Jones, Keith, Kerr, Layman, Lear, Lefevers, Lile, Lyne, Mack, Mason, McBee, McElroy, Meyer, Nett, Noe, Noland, Northup, O'Brien, Priddy, Pritchett, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Scorsone, Siler, B. Smith, R. Smith, Stumbo, Todd, Turner, Walker, White, Worthington, Yates. Nays 5 —Hatcher, Heleringer, LeMaster, Maggard, Preston.

The motion to adjourn was adopted.

TUESDAY, NOVEMBER 29, 1988

SECOND LEGISLATIVE DAY

The House was called to order by Speaker Blandford.

Prayer by Reverend William Perkins, Fairview/Cumberland Presbyterian Church, Bremen, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Deskins, Heleringer, Johnson, B. Jones, T. Jones, Lear and B. Richardson.

Representative McElroy moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative McElroy moved that the reading of the Journal of November 28, 1988 be dispensed with and the same approved. Agreed.

Representative J. Brown moved the rules be suspended to act upon a Legislative Citation. Agreed.

Representative J. Brown moved the adoption of the following Legislative Citation No. 1. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby cites and recognizes MARK ECK, DIRECTOR, BREMEN GOLDEN EAGLE BAND.

Your tireless efforts, great ambition and leadership proved most rewarding as your 48 member band was named as the Class A State Champion on November 5, 1988. Receiving the Governor's Cup was the well deserved finale to a rewarding season of six grand champion trophys and seven superior ratings ranging from Class A thru Class AAAA.

This prestigious body salutes and applauds you for this great distinction, extending best wishes and much success in your future endeavors. (Sponsored by Representative J. Brown)

Introduction of Bills and Resolutions

HR 6, by Representative Long: A RESOLUTION adjourning the House of Representatives in loving memory and honor of Lucien L. Kinsolving.

Reference of Bills and Resolutions

The Clerk reported the Committee on Committees has referred the following Bills:

Appropriations and Revenue: **HB 2** and **HB 4**.

State Government: **HB 3**.

Adjournment

Representative Stumbo moved that the House adjourn until 1:00 p.m., Wednesday, November 30, 1988.

On the roll call the vote was yeas 78—Ackerson, Adams, Adkins, Allen, Altman, Ark, Arnold, Barrows, Blevins, Bronger, M. Brown, Bruce, Burch, Callahan, Casebier, Castleman, L. Clark, P. Clark, Clarke, Cline, Crupper, Curd, Cyrus, Donnermeyer, Farrow, Ford, Freibert, Gedling, Geveden, Gray, Gregory, Hancock, Handy, J. Harper, K. Harper, Hatcher, Hoover, Hourigan, Jackson, Keith, Kerr, Layman, Lefevers, Little, Lundergan, Lyne, Mack, Maggard, Mason, McBee, McElroy, Meyer, Napier, Nett, Noe, Noland, Northup, O'Brien, Preston, Priddy, Pritchett, Rapier, Reinhardt, P. Richardson, Ridley, Riner, Robinson, Scorsone, Siler,

B. Smith, R. Smith, Stumbo, Todd, Turner, Walker, White, Worthington, Yates. Nays 4—Guenthner, LeMaster, Lile, Will.

The motion to adjourn was adopted.

WEDNESDAY, NOVEMBER 30, 1988

THIRD LEGISLATIVE DAY

The House was called to order by Speaker Blandford.

Prayer by Dr. John F. Callaway, Pastor, First Presbyterian Church, Frankfort, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Adams, Burch, Deskins, Gregory, Guenthner, Heleringer, Johnson, T. Jones, Little, Preston and Priddy.

Representative McElroy moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative McElroy moved that the reading of the Journal of November 29, 1988 be dispensed with and the same approved. Agreed.

Introductions of Bills and Resolutions

HB 5, by Representatives Hancock, Morris, Allen, Ark, Arnold, Ballard, Blevins, M. Brown, Bruce, Callahan, L. Clark, Cline, Donnermeyer, Farrow, Gregory, Handy, K. Harper, Hatcher, Hourigan, Keith, Kerr, Lile, Long, Mack, Maggard, Mason, Meyer, Priddy, P. Richardson, Siler, R. Smith, Turner, Will and Yates: AN ACT relating to payment of a bonus to certain veterans who served during the Vietnam conflict and certain persons deriving from them, providing for funding, thereof, appropriating funds for administration, and declaring an emergency.

HB 6, by Representatives Blandford, Worthington, Stumbo, Rapier and Richards: AN ACT making an appropriation to the Legislative Research Commission for expenses incurred in connection with the Extraordinary Session of 1988 of the General Assembly, and declaring an emergency.

Posting of Bills and Resolutions for Consideration

The Clerk announced the following Bills have been posted for Committee consideration:

Appropriations and Revenue: **HB 2** and **HB 4**.

Representative Stumbo moved that the rules be suspended for the purpose of making a motion to recess to allow a meeting of the Committee on Committees. Agreed.

Recess

Representative Stumbo moved that the House recess for a meeting of the Committee on Committees. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Reference of Bills and Resolutions

The Clerk reported the Committee on Committees has referred the following Bills:

Appropriations and Revenue: **HB 5** and **HB 6**.

Posting of Bills and Resolutions for Consideration

The Clerk announced the following Bills have been posted for Committee consideration:

Appropriations and Revenue: **HB 5** and **HB 6**.

Representative Long moved the adoption of the following **HR 6**:

HR 6, A RESOLUTION adjourning the House of Representatives in loving memory and honor of Lucien L. Kinsolving.

WHEREAS, Lucien L. Kinsolving, a native of Shelby County, Kentucky, traversed these earthly bounds on Sunday, November 27, 1988; and

WHEREAS, Lucien L. Kinsolving unselfishly served his country during World War II; and

WHEREAS, Lucien L. Kinsolving attended the University of Kentucky and graduated from the University of Louisville School of Law in 1951; and

WHEREAS, Lucien L. Kinsolving was a Director of the Republic Bank in Shelby County, Kentucky; and

WHEREAS, Lucien L. Kinsolving was a former elder of the First Presbyterian Church in Shelbyville, Kentucky; and

WHEREAS, Lucien L. Kinsolving was a dedicated public servant, serving as Commonwealth's Attorney for eighteen years in the twelfth district; and

WHEREAS, Lucien L. Kinsolving was a loving husband to his wife, Doris, and dedicated father to his sons, Lee and Burch Kinsolving, and four grandchildren;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives laments the loss of this distinguished public servant and extends its sincere condolences to his family.

Section 2. That when the House of Representatives adjourns this day, Tuesday, November 29, 1988, it does so in loving memory of Lucien L. Kinsolving.

Section 3. That the Clerk of the House of Representatives is directed to transmit a copy of this resolution to Mrs. Doris Streckfus Kinsolving, 720 Ashland Avenue, Shelbyville, Kentucky, 40065.

HR 6 was adopted by voice vote.

Announcements

The Clerk announced the filing of the following Floor Amendment to Bills:

Floor Amendment No. 1 to **HB 1**, by Representative Yates:

Amend printed copy of **HB 1** on page 13, line 24, after the word "*affiliation.*" by inserting the following:

"*Preference shall be given, however, to veterans organizations which apply for lottery retailer licenses.*"

The following meeting was announced:

Appropriations and Revenue: December 1, 1988 at 10:00 a.m. in Room 109.

Adjournment

Representative Stumbo moved that the House adjourn until 1:00 p.m., Thursday, December 1, 1988.

On the roll call the vote was yeas 71—Ackerson, Adkins, Allen, Ark, Arnold, Ballard, Barrows, Blandford, Bronger, J. Brown, M. Brown, Callahan, Casebier, Castleman, L. Clark, P. Clark, Clarke, Cline, Curd, Cyrus, Donnermeyer, Farrow, Ford, Freibert, Gedling, Geveden, Gray, Handy, J. Harper, K. Harper, Hatcher, Hoover, Hourigan, Jackson, A. Jones, T. Jones, Keith, Kerr, Layman, Lefevers, Lyne, Mack, Maggard, McBee, McElroy, Meyer, Moberly, Morris, Napier, Nett, Noe, Noland, Northup, O'Brien, Pritchett, Rapier, B. Richardson, Ridley, Riner, Robinson, Scorsone, Seum, Siler, B. Smith, Stumbo, Todd, Turner, Walker, White, Worthington, Yates. Nays 4—Blevins, LeMaster, Lile, Overstreet.

The motion to adjourn was adopted.

THURSDAY, DECEMBER 1, 1988

FOURTH LEGISLATIVE DAY

The House was called to order by Speaker Blandford.

Prayer by Reverend Patrick Flynn, Hope Lutheran Church, Frankfort, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Adams, Burch, Johnson, R. Jones, Little, R. Smith, Overstreet and B. Richardson.

Representative McElroy moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative McElroy moved that the reading of the Journal of November 30, 1988 be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HB 7, by Representative Hancock: AN ACT relating to state lottery games based upon stakes races conducted at horse racetracks.

HR 7, by Representative Riner: A RESOLUTION adjourning the House of Representatives in memory and honor of Pastor Waymon L. Rogers.

HR 8, by Representatives Yates, Cline, White, P. Clark, Priddy, Gregory, Gedling, Kerr and Callahan: A RESOLUTION expressing support for the Governor for the display of the Nativity scene in front of the Capitol.

Report of Committees

The Committee on Appropriations and Revenue reported **HB 6**, with Committee Substitute and Committee Title Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 6, AN ACT making an appropriation to the Legislative Research Commission for expenses incurred in connection with the Extraordinary Session of 1988 of the General Assembly, and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. That there be appropriated from the General Expenditure Fund to the Legislative Sessions Fund, for the payment of salaries and other expenses of the Extraordinary Session of 1988 of the General Assembly, the sum of $26,914 per calendar day during the Extraordinary Session of 1988.

Section 2. That there be appropriated from the General Expenditure Fund to the Legislative Research Commission the sum of $6,000 per calendar day during the Extraordinary Session of 1988.

Section 3. That there be transferred from the Monthly Expenses of Legislators' Account to the Legislative Sessions Fund the amount of $4,416 per calendar day of the Extraordinary Session of 1988 to be used for necessary expenses during such extraordinary session.

Section 4. That there be appropriated from the General Expenditure Fund to the Legislative Sessions Fund the sum of $15,000 to pay for the cost of printing and binding the Acts and Journals of the Extraordinary Session of 1988.

Section 5. That there be appropriated from the General Expenditure Fund to the Legislative Sessions Fund the sum of $42,850 to pay the cost of travel and stationery allowances for members of the General Assembly for the Extraordinary Session of 1988 and travel and expenses of expert witnesses.

Section 6. Whereas, the General Assembly is now in session, and it is necessary that funds be made available immediately, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor, and shall be retroactive to include all calendar days of the Extraordinary Session of 1988, beginning November 28, 1988.

The Committee Substitute to **HB 6** is as follows:

HB 6, AN ACT making an appropriation to the Legislative Research Commission for expenses incurred in connection with the Extraordinary Session of 1988 of the General Assembly, and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. That there be appropriated from the General Expenditure Fund to the Legislative Sessions Fund, for the payment of salaries and other expenses of the Extraordinary Session of 1988 of the General Assembly, the sum of $26,914 per calendar day during the Extraordinary Session of 1988.

Section 2. That there be appropriated from the General Expenditure Fund to the Legislative Research Commission the sum of $6,000 per calendar day during the Extraordinary Session of 1988.

Section 3. That there be transferred from the Monthly Expenses of Legislators' Account to the Legislative Sessions Fund the amount of $4,416 per calendar day of the Extraordinary Session of 1988 to be used for necessary expenses during such extraordinary session.

Section 4. That there be appropriated from the General Expenditure Fund to the Legislative Sessions Fund the sum of $15,000 to pay for the cost of printing and binding the Acts and Journals of the Extraordinary Session of 1988.

Section 5. That there be appropriated from the General Expenditure Fund to the Legislative Sessions Fund the sum of $42,850 to pay the cost of travel and stationery allowances for members of the General Assembly for the Extraordinary Session of 1988 and travel and expenses of expert witnesses.

Section 6. The secretary of finance and administration is directed to reimburse the General Fund for the actual appropriations incurred under this Act from monies initially transferred or collected from the Kentucky lottery revenues pursuant to House Bill 1 as enacted by the Extraordinary Session of 1988 of the General Assembly.

Section 7. Whereas, the General Assembly is now in session, and it is necessary that funds be made available immediately, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor, and shall be retroactive to include all calendar days of the Extraordinary Session of 1988, beginning November 28, 1988.

The Committee Title Amendment to **HB 6** is as follows:

Amend printed copy of **HB 6** by amending the title to read: AN ACT making an appropriation to the Legislative Research Commission for expenses incurred in connection with the Extraordinary Session of 1988 of the General Assembly, providing for reimbursement of appropriated funds, and declaring an emergency.

Motions, Petitions and Communications

Representative Yates moved the adoption of the following **HR 8**:

HR 8, A RESOLUTION expressing support for the Governor for the display of the Nativity scene in front of the Capitol.

WHEREAS, Governor Wallace G. Wilkinson has caused to be erected on the front steps of the Capitol a Nativity scene; and

WHEREAS, such a creche, is used throughout the Christian world to depict the birth of Christ as a part of the annual celebration of the Christian holiday of Christmas; and

WHEREAS, the American Civil Liberties Union has objected to the placement of the creche on state property, stating it constitutes a violation of the First Amendment of the United States Constitution prohibiting "an establishment of religion"; and

WHEREAS, the Governor maintains that his action is lawful; and

WHEREAS, similar action was upheld by the United States Supreme Court in *Lynch v. Donnelly*, 465 U.S. 668, 104 S. Ct. 1355, 79 L. Ed. 2d 604 (1984);

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this body expresses its support of Governor Wallace G. Wilkinson for building and displaying a Nativity scene in front of the Capitol.

Section 2. That a copy of this resolution be sent to Governor Wallace G. Wilkinson.

HR 8 was adopted by voice vote.

Representative Casebier moved the adoption of the following **HR 5**:

HR 5. A RESOLUTION adjourning the House of Representatives in memory and honor of Louis Gilbert Melton, Sr.

With deepest respect, we pay tribute to the memory of Louis Gilbert Melton, Sr.

WHEREAS, Louis Gilbert Melton, Sr., of Valley Station, Kentucky, traversed these earthly bounds on Saturday, November 19, 1988; and

WHEREAS, Louis Gilbert Melton, Sr. was born on March 2, 1924, in Valley Station, Kentucky; and

WHEREAS, Louis Gilbert Melton, Sr. was fondly known by his family and friends as "Jiggs"; and

WHEREAS, Louis Gilbert "Jiggs" Melton, Sr. owned and operated Jiggs Produce Market, a landmark in Valley Station, Kentucky, for twenty-two years; and

WHEREAS, Louis Gilbert "Jiggs" Melton, Sr. was a loving husband to his wife, Elaine, and a devoted father of five children; and

WHEREAS, Louis Gilbert "Jiggs" Melton, Sr. was a highly respected citizen of his community and he will be sorely missed by those who had the good fortune of being associated with him;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives expresses its profound grief over the loss of Louis Gilbert "Jiggs" Melton, Sr.

Section 2. That the House of Representatives extends its sincere and most heartfelt sympathy to his family.

Section 3. That when the House of Representatives adjourns this day, Monday, November 28, 1988, it does so in loving memory of Louis Gilbert "Jiggs" Melton, Sr.

Section 4. That the Clerk of the House of Representatives is directed to transmit a copy of this resolution to Mrs. Elaine Knott Melton, 5508 Vesper Lane, Louisville, Kentucky, 40272.

HR 5 was adopted by voice vote.

Representative Stumbo moved the rules be suspended for the purpose of making a motion concerning co-sponsors. Agreed.

Representative Stumbo moved that a call of the roll be taken to show co-sponsors of **HR 8**. Agreed.

On the roll call the vote was yeas 77—Adkins, Allen, Altman, Ark, Arnold, Ballard, Blandford, Blevins, Bronger, J. Brown, M. Brown, Bruce, Callahan, Castleman, L. Clark, P. Clark, Cline, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Farrow, Ford, Gedling, Gray, Gregory, Guenthner, Handy, J. Harper, K. Harper, Hatcher, Heleringer, Hoover, Hourigan, Jackson, A. Jones, Keith, Kerr, Layman, Lefevers, LeMaster, Lile, Long, Lundergan, Lyne, Mack, Maggard, Mason, McBee, McElroy, Meyer, Morris, Napier, Noland, Northup, O'Brien, Preston, Priddy, Pritchett, Rapier, Reinhardt, P. Richardson, Ridley, Robinson, Seum, Siler, B. Smith, Strong, Stumbo, Todd, Turner, Walker, White, Will, Worthington, Yates.

Announcements

The following meeting was announced:

Appropriations and Revenue: Friday, December 2, 1988 at 9:00 a.m. in Room 109.

Adjournment

Representative Stumbo moved that the House adjourn until 10:00 a.m., Friday, December 2, 1988.

On the roll call the vote was yeas 71—Ackerson, Adkins, Allen, Altman, Ark, Arnold, Ballard, Blandford, Blevins, Bronger, J. Brown, M. Brown, Bruce, Callahan, Castleman, L. Clark, P. Clark, Cline, Crupper, Curd, Cyrus, Donnermeyer, Farrow, Ford, Freibert, Gedling, Geveden, Gregory, J. Harper, K. Harper, Hatcher, Hoover, Hourigan, A. Jones, T. Jones, Kerr, Layman, Lear, Lile, Lundergan, Lyne, Mack, Maggard, Mason, McBee, Meyer, Moberly, Napier, Nett, Noe, Noland, Northup, O'Brien, Priddy, Pritchett, Rapier, Reinhardt, Richards, P. Richardson, Ridley, Riner, Robinson, Scorsone, Siler, B. Smith, Stumbo, Todd, Turner, White, Worthington, Yates. Nays 4—Guenthner, Heleringer, LeMaster, Preston.

The motion to adjourn was adopted.

FRIDAY, DECEMBER 2, 1988

FIFTH LEGISLATIVE DAY

The House was called to order by Speaker Blandford.

Prayer by Dr. William R. Jennings, Pastor, First United Methodist Church, Frankfort, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Ackerson, Adams, Burch, Deskins, Geveden, Heleringer, Jackson, R. Jones, Little, Overstreet, Priddy, B. Smith and R. Smith.

Representative McElroy moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative McElroy moved that the reading of the Journal of December 1, 1988 be dispensed with and the same approved. Agreed.

Report of Committees

The Committee on Appropriations and Revenue reported **HB 5**, with Committee Substitute and Committee Title Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 5, AN ACT relating to payment of a bonus to certain veterans who served during the Vietnam conflict and certain persons deriving from them, providing for funding thereof, appropriating funds for administration, and declaring an emergency.

WHEREAS, the electorate of the Commonwealth of Kentucky, at the regular election on November 3, 1959, approved the payment of a cash bonus to qualified veterans of the Spanish American War, World War I, World War II, and the Korean conflict as an expression of appreciation for their service to the United States of America; and

WHEREAS, many citizens of the Commonwealth served at great personal sacrifice in the armed forces of the United States during the Vietnam conflict; and

WHEREAS, the General Assembly of the Commonwealth of Kentucky finds it appropriate to express to those citizens the gratitude of all of the citizens of the Commonwealth by the payment of a bonus to all veterans qualified hereunder who served in the armed forces of the United States in the Vietnam conflict;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

(1) It is hereby found, determined and declared that the citizens of the Commonwealth who served in the armed forces during the Vietnam conflict performed a public service for the United States of America and the Commonwealth and that the payment of the Vietnam veterans' bonus, as provided in this Act, promotes the public good by rewarding the public service rendered by such individuals and by encouraging future public service by citizens of the Commonwealth.

(2) It is hereby found, determined and declared as a legislative finding of fact that the general welfare and well-being of the citizens of the Commonwealth is dependent upon the economy of the Commonwealth and the national economy and that the payment of the Vietnam veterans' bonus, by encouraging greater consumer expenditures, will stimulate growth in the national and local economies, thereby increasing employment of residents of the Commonwealth and generating additional tax revenues to the Commonwealth.

(3) It is hereby found, determined and declared that a bonus shall be paid by the Commonwealth of Kentucky in the amounts and to the persons determined in accordance with the provisions of this Act.

SECTION 2. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

As used in this Act, the following terms have the following respective meanings, unless another meaning is clearly required by the context:

(1) "Department of military affairs" means the office of the adjutant general, Commonwealth of Kentucky;

(2) "Administrator" means the individual designated by the adjutant general to carry out the responsibilities of this Act;

(3) "Armed forces" means the United States Army, Navy, Marine Corps, Air Force and Coast Guard, including the reserve components thereof on active duty, and shall not include the merchant marine;

(4) "Qualified Vietnam veteran" means any person who:

(a) Served in the armed forces of the United States for a period of ninety (90) days or more (exclusive of time spent AWOL, or in penal confinement as a result of a sentence imposed by court-martial) for any period from August 5, 1964 to May 7, 1975, inclusive, or served in the armed forces of the United States within the South East Asia theator of operations for any period from February 1, 1955 to August 4, 1964, inclusive, and was awarded the Vietnam Service Medal;

(b) Has been released, separated or discharged from the armed forces under honorable conditions;

(c) Was a resident of the Commonwealth at the time of entry into active service in the armed forces and for at least six (6) months prior thereto;

(d) Served at least ninety (90) days active duty, unless the duty was earlier terminated for medical reasons determined to be service-connected by the armed forces or the veterans' administration; and

(e) Served during the period of eligibility as evidenced by separation papers or discharge from the United States armed forces.

(5) "Resident of the Commonwealth at the time of entry into the active service" means any person who gave the Commonwealth of Kentucky, or any specific place in this Commonwealth, as his place of residence at such time of entry. Conclusive and exclusive evidence of such giving of place of residence shall be the official records on file in the department of defense of the United States, or any official record thereof in the files of the veterans' administration of the United States; but if it be shown to the satisfaction of the administrator that for any reason no such record was made, or that the same has been lost, misplaced or destroyed, or that an authenticated copy thereof cannot be obtained within a reasonable time, other evidence of bona fide residence may be accepted if deemed sufficient by the administrator;

(6) "Resident," in any context other than as in subsection (5) of this section, means a legal resident as determined by generally established principles of law, as may be defined, and subject to proof, according to such regulations as the administrator may promulgate;

(7) "Beneficiary" means in this order, widow, child or children (sharing equally), mother, father, and no other;

(8) (a) "Widow" means a woman who was the wife of a Vietnam veteran at the time of his death, and who had not deserted him (except where there was a separation which was due to the misconduct of, or procured by, the veteran without the fault of the wife), and who had not remarried, (unless the purported remarriage was void or had been annulled);

(b) The term "widow" also includes "widower" in the case of a man who was the husband of a female Vietnam veteran at the time of her death;

(9) "Child" means a person:

(a) Who is under the age of eighteen (18); or

(b) Who, before attaining the age of eighteen (18) years, became permanently incapable of self-support; or

(c) Who, after attaining the age of eighteen (18) years and until completion of education or training (but not after attaining the age of twenty-three (23) years) is pursuing a course of instruction at a bona fide educational institution; and who, in relationship to the veteran, is a legitimate child; a legally adopted child; a step-child who is a member of a Vietnam veteran's household or was a member at the time of the veteran's death; or an illegitimate child, but, as to the alleged father, only if acknowledged in writing signed by him or if he had, before his death, been judicially decreed to be the father of such child;

(10) "Mother" means a mother, a mother through adoption, or a woman who for a period of not less than one (1) year stood in the relationship of a mother to a qualified Vietnam veteran before his or her entry into active service in the armed forces, or if two (2) persons stood in such relationship for one (1) year or more, the person who last stood in such relationship before the veteran's last entry into active service in the armed forces;

(11) "Father" means a father, a father through adoption, or a man who for a period of not less than one (1) year stood in the relationship of a father to a qualified Vietnam veteran before his or her entry into active service in the armed forces, or if two (2) persons stood in such relationship for one (1) year or more, the person who last stood in such relationship before the veteran's last entry into active service in the armed forces;

(12) "In the continental United States" means any place in the District of Columbia and the States of the United States which are on the North American continent, exclusive of Alaska;

(13) "Outside the continental United States" means any place elsewhere than as defined in subsection (12) of this section;

(14) "Bonus" and "Vietnam veteran's bonus" mean the compensation authorized by this Act;

(15) "Bonus claim" means a claim or potential claim for a Vietnam veteran's bonus; and

(16) "Claimant" means one who seeks to obtain payment of a bonus claim.

SECTION 3. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

No bonus shall be paid to any member of the armed forces of the United States who did only civilian work at civilian pay, who has received from another state a bonus or compensation of a like nature as is provided by this Act, or who received the Kentucky veterans' bonus under the provisions of Chapter 48, Acts of the Regular 1958 Session of the General Assembly, and Chapter 15, Acts of the Regular 1960 Session of the General Assembly.

SECTION 4. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

(1) Every person determined by the administrator to be a qualified Vietnam veteran shall be paid the sum of fifteen dollars ($15.00) for each month and major fraction of a month of active duty, in the armed forces, not to exceed in all the sum of three hundred dollars ($300); and the sum of twenty-five dollars ($25.00) for each month and major fraction of a month of such service which is qualifying for the Vietnam Service Medal, subject to an aggregate limit for all service in the sum of five hundred dollars ($500). Any qualified Vietnam veteran who was medically evacuated from Vietnam shall receive the sum of five hundred dollars ($500.00), this sum to be in lieu of any other bonus for which said veteran may qualify under the provisions of this Act.

(2) If a person determined to have been a qualified Vietnam veteran shall be deceased at the time payment of the bonus would otherwise be made to him, the amount of his bonus shall be paid to the first surviving beneficiary, if any, according to the order of priority defined in Section 2(7) of this Act and if there be no surviving beneficiary, the bonus of such veteran shall lapse, and no payment thereof shall be made.

(3) A beneficiary (as defined in Section 2, subsections (7), (8), (9), (10), and (11) of this Act) of a person

killed in the line of duty while serving in the armed forces of the United States during the period of eligibility, or who died of service-connected injury sustained while so serving, and who would otherwise have qualified for the bonus provided in subsection (1) of this section, shall be paid three hundred dollars ($300) if no part of the total service during the period was served outside the Continental United States or five hundred dollars ($500) if any part of the total service during the period was served outside the Continental United States. The provisions of subsection (1) of this section and the minimum period of service for entitlement to a bonus as established by Section 2(4) of this Act shall not apply to these beneficiaries. However, this exception does not waive the respective maximums of three hundred dollars ($300) or five hundred dollars ($500) for each veteran, person killed in the line of duty while on active duty in the armed forces, or person who died as a result of service-connected injury sustained while on active duty in the armed forces. Payment shall be made to a beneficiary in the order of priority defined in Section 2(7) of this Act.

SECTION 5. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

The department of military affairs, Commonwealth of Kentucky, shall administer the provisions of this Act and shall:

(1) Prepare and make available forms on which applications for the bonus shall be made;

(2) Employ such additional personnel as may be required for orderly and expeditious administration;

(3) Promulgate all rules and regulations required for the effective administration of this Act; and

(4) Report annually to the governor and the legislative research commission within sixty (60) days after the end of each fiscal year during its administration of this Act.

SECTION 6. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

All applications for the bonus shall be submitted to the adjutant general, Commonwealth of Kentucky, in writing, upon forms made available for that purpose, and shall be accompanied by such documentary evidence as prescribed by appropriate regulations. Every application shall be certified under the penalties of perjury, and shall contain representations of the claimant (or, if he shall have been adjudged incompetent, or be an infant, of his committee or guardian), that;

(1) The facts therein stated are true to the best of his knowledge and belief;

(2) All documents submitted in support of the application are believed by the claimant to be genuine originals or copies, as the case may be, and that the claimant has no knowledge that the document has been superseded or cancelled;

(3) The claimant has not received from another state a bonus or compensation of a like nature as provided by this Act;

(4) The claimant has not received the Kentucky veterans' bonus provided under Chapter 48, Acts of the Regular 1958 Session of the General Assembly, and Chapter 15, Acts of the Regular 1960 Session of the General Assembly;

(5) The claimant has neither paid nor agreed to pay, directly or indirectly, any compensation for assistance received in preparing and tendering the application; and

(6) The claimant has knowledge of the final and forfeiture provisions of this Act.

SECTION 7. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

(1) No application shall be filed with or sent to the adjutant general before the 1st day of March, 1989.

(2) No application may be filed with or sent to the administrator after the twenty-eighth day of February, 1990; but if an application is sent by mail, the adjutant general shall receive it if the post-mark on the envelope

shows date and time of mailing at or before midnight, central standard time, on or before the twenty-eighth day of February, 1990.

(3) Applications tendered to the adjutant general otherwise than as provided in subsections (1) and (2) of this section shall not be eligible for consideration under this Act and shall not be accepted. Each such application received by mail shall be returned to the sender, if a return address be given, together with notification of the reason for its return.

SECTION 8. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

No claimant shall be entitled to an oral hearing as a matter of right; but the adjutant general may in his discretion order a hearing in any case presenting unusual circumstances, or where it appears that documentary evidence of any material fact cannot reasonably be obtained, or where the claim cannot otherwise adequately be determined. The adjutant general may investigate any matter which in his judgment is not adequately proven, or which shows or raises an inference of fraud; and may require submission of supplementary proof.

SECTION 9. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

A hearing ordered by the adjutant general shall be conducted by a single person designated by the adjutant general. Formalities of judicial procedure and proof may be waived. No stenographic transcript of the proceedings shall be made except when specifically authorized by the adjutant general, and in the absence of such authorization the hearing officer shall submit to the adjutant general his written summary of the proceedings. There shall be no right to written or oral argument; but the adjutant general may, in his discretion, authorize either.

SECTION 10. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

The burden of proving to the satisfaction of the adjutant general that a bonus is payable shall in all cases be upon the claimant.

SECTION 11. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

The adjutant general shall make prompt determination that each application is approved or disapproved for payment of a bonus; and if approved, shall determine the amount to be paid according to the provisions of this Act.

SECTION 12. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

(1) If a claim is disapproved, the adjutant general shall send a notice of such decision to the claimant by mail at the address shown in the application. The notice shall be in such form as the adjutant general may determine, shall contain a designation of the reason for disapproval, shall inform the claimant of his right to seek review, shall have attached such form of request for review as the adjutant general may prescribe, and shall give information as to procedure for review.

(2) Application for review of a disapproval shall be made only on the forms prescribed, and shall be received in the designated office not later than the closing hour in the thirtieth (30th) day after the day upon which the notice of disapproval is mailed, or be forever barred.

(3) Upon receiving an application for review, the administrator shall transmit the same, together with the original application and all papers in the case, to the board of review, hereinafter created.

(4) The board of review shall promptly consider the same evidence which was available to the administrator, and shall promptly enter in the case file its decision either finally affirming the administrator's decision, or finally determining the claim and the amount thereof.

(5) The board of review shall send a notice of its decision to the claimant by registered mail, and shall return the case file to the administrator. The decision of the board of review shall be a final determination of the claim shown in the application.

SECTION 13. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

If the administrator shall disapprove any claim, or if the decision of the board of review be affirmance of the administrator's disapproval of the claim:

(1) No payment of a bonus shall be made,

(2) The administrator, upon receiving advice of the decision, shall note the same in a permanent book or record in his office; shall forthwith return to the claimant the copies of any official records submitted in support of the application; shall finally close the claim file; and may destroy all other papers except the application.

SECTION 14. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

(1) If a claim is approved by the administrator or finally approved upon resort to the board of review, the administrator shall promptly certify to the secretary of the cabinet for finance and administration the names and addresses of persons found entitled to be paid, as shown in the application, and the amount payable to each.

(a) A copy of each such certificate shall be sent to the secretary of the revenue cabinet, who shall promptly ascertain from the records of his agency whether any person proposed to be paid a bonus is delinquent in the payment of any tax liability to the Commonwealth. No delinquency shall be deemed to exist as to any asserted tax liability which is the subject of a bona fide dispute. If any delinquency be found to exist, the secretary of revenue shall within three (3) working days after this receipt of the certificate, furnish the details thereof to the secretary of finance and administration; and if no advice of tax delinquency is received by the secretary of finance and administration before the end of the fourth working day after his receipt of certification from the administrator, he shall, for the purposes of this Act, conclusively presume that no delinquency of tax liability to the Commonwealth exists, but such presumption shall apply only to the existence or absence of a set-off by the Commonwealth against a certified claim for a bonus, and shall not alter the facts as between the Commonwealth and any taxpayer.

(b) If no advice of tax delinquency is received within such allowed time, the secretary of finance and administration may approve payment in accordance with the certificate of the administrator, and may immediately draw a warrant on the state treasury for a check in payment.

(c) Upon receipt of such warrant the state treasurer shall issue a check in accordance therewith payable from funds made available in accordance with this Act, and the same shall promptly be mailed to the payee thereof at the address shown in the certificate.

(2) If the secretary of finance and administration shall, within the allowed time, receive advice from the commissioner of revenue of the existence of a delinquency on the part of any person having an approved claim for a bonus, as to any tax liability to the Commonwealth, the secretary of finance and administration shall note the same on the certificate of the administrator, withhold payment, and forthwith send to the claimant by registered mail a notice of the asserted delinquency, and the amount thereof, and that it is proposed that the same be set off against the bonus payment.

(a) If the secretary of finance and administration receives no protest in his office within ten (10) working days after recording such notice, he shall conclusively presume that the proposed set-off is just, shall apply the amount thereof in reduction or extinguishment of the payment certified by the administrator, and shall advise the commissioner of revenue of the amount set off against the bonus, which advice shall be noted by the commissioner of revenue on the records of his office as a credit upon the delinquent tax liability.

(b) If the tax set-off does not consume the entire amount of the bonus as certified by the administrator, the commissioner shall draw a warrant upon the state treasury for a check in the amount of the remainder, and upon receiving such check from the state treasurer shall send the same, together with advice of the set-off, by mail, to the payee at the address shown in the certificate of the director.

(3) If the secretary of finance and administration receives from the claimant a protest of the asserted tax delinquency, within the allowed time, the secretary shall withhold approval for payment, and shall refer the protest to the commissioner of revenue for disposition.

(4) If a tax set-off is made, and the claimant shall assert error with regard thereto, the exclusive remedy shall be by seeking refund from the commissioner of revenue.

SECTION 15. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

(1) Claims for payment of a bonus shall not be assignable before or after approval thereof; and any attempted or purported assignment received by or tendered to any officer of the Commonwealth shall be void, need not be acknowledged or returned, and may be disregarded.

(2) Payments of the bonus shall be exempt from all taxation by the Commonwealth, its political subdivisions and taxing districts.

(3) No claim for payment of a bonus and no payment made by the Commonwealth under this Act shall give rise to a cause of action against the Commonwealth or any of its officers, agents, or employes, and no claim for payment shall be subject to attachment, levy, garnishment or seizure by or under any legal or equitable process whatever; but this provision shall not extend exemption from legal process to the proceeds of any bonus payment after the same has been received from the Commonwealth.

(4) The Commonwealth does not consent to be sued in any court with regard to any matter connected with or arising out of claims for payment of the bonus herein authorized.

SECTION 16. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

(1) There shall be a board of review consisting of nine (9) persons who are residents and qualified voters of the Commonwealth, appointed by the governor without limitation as to political affiliation, religion, race, sex, or past or present service in the armed forces, except that six (6) members of this board shall be veterans. The name of said board shall be "The Vietnam Veterans' Bonus Board of Review." The governor shall designate a chairman and a secretary from among the membership.

(2) Three (3) members and no more shall constitute a board of review, and shall by concurrence of two (2) members decide any claim which comes before the board in the manner provided in this Act. The chairman of the board shall designate three (3) members to consider and decide each claim, having due regard for availability for service so that delay may be avoided.

(3) The chairman and secretary shall devote their full time to the affairs of the board and shall receive compensation at the rate to be fixed in accordance with personnel standards fixed by the commissioner of personnel until the functions of the board are performed and the board is dissolved as hereinafter provided. Other members of the board shall be compensated fifty dollars ($50.00) per diem, but only for actual time served in considering and deciding claims for veterans' bonuses pursuant to designation by the chairman. All members of the board shall be reimbursed for necessary travel to and from their places of residence, and in performance of duties pursuant to assignment, at the rate of eighteen cents (18) per mile.

(4) Each claim coming before the board shall promptly be considered and decided by the three (3) members designated for that purpose. In every case the board shall either affirm the decision of the administrator, or determine that a Vietnam veterans' bonus should be paid, and to what persons and in what amounts. No written opinions or recitations of reasons for any decision need be made. A statement of the decision made shall be signed by at least two (2) of the three (3) members designated to decide the claim; and upon concurrence of two (2) members a decision shall be final and not subject to reconsideration.

(5) When, after March 1, 1990, the board of review shall have decided all cases coming before it for decision, the chairman shall report such fact to the governor in writing. The governor shall thereupon declare that the board of review is dissolved, and shall so notify the members, and the functions and duties of the board shall be deemed to have been fully performed.

SECTION 17. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

Any person who charges or collects or attempts to charge or collect either directly or indirectly, any fee or other compensation for assisting in any manner a person seeking to obtain payment of a bonus under this Act, shall be fined not more than five hundred dollars ($500) or imprisoned in the county jail for a term of not more than six (6) months, or both; but this provision is not intended to prohibit:

(1) Collection by public officers of statutory fees for providing authenticated copies of public records, or

(2) The giving of assistance or advice to claimants by any bona fide veterans' organization, civic organization, institution, public or private body, or person, through one (1) or more persons compensated from the funds of such organization, institution, or public or private body or person, if no fee or charge therefor is collected from the asserted claimant.

SECTION 18. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

Whoever makes any false or fraudulent statement of a material fact in any application, affidavit, certificate or document submitted or tendered for the purpose of obtaining payment of a bonus under this Act, shall be fined not more than one thousand dollars ($1,000) or imprisoned in the penitentiary for a term of not more than two (2) years, or both.

SECTION 19. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

Any person conspiring to obtain payment of a fraudulent claim for a bonus under this Act, or conspiring to defraud one who receives payment or has a bona fide claim for payment of a bonus, shall be fined not more than one thousand dollars ($1,000) or imprisoned in the penitentiary for not more than two (2) years, or both.

SECTION 20. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

Any person convicted of any offense denounced in Sections 17, 18, and 19 of this Act shall forfeit his or her right, if any, to receive any payment authorized by this Act.

SECTION 21. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

Funds for the payment of the Vietnam veterans' bonus, the administration of this Act and purposes related thereto may be provided from the proceeds of revenue bonds issued and sold for such purpose by the state property and buildings commission pursuant to its powers under KRS 56.450. The department of military affairs is hereby authorized to apply to the state property and buildings commission for such revenue bond issue or issues in such amounts and at such times as it deems desirable or necessary for such purpose. Revenue bonds issued pursuant hereto shall be solely payable from and secured by revenues paid by the department of military affairs pursuant to a financing agreement between the state property and buildings commission and the department of military affairs and derived from the biennial appropriations made for such purpose, if any, and any other available funds and shall otherwise be as provided in KRS 56.450.

SECTION 22. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

(1) The department of military affairs shall, from time to time, prepare estimates of the amount of money anticipated to be required for the payment of the Vietnam veterans' bonus and the times when such moneys shall be required to be available for the payment of bonus claims.

(2) In the preparation of such estimates the department of military affairs is authorized to consult with and solicit assistance from the finance and administration cabinet and such cabinet is hereby authorized and directed to render such assistance as is requested by the department of military affairs.

(3) Advice of such estimates shall be set forth in the application of the department of military affairs to the state property and buildings commission under which revenue bonds are requested to be issued, with the direction that such bonds be issued and sold in such manner as to provide the required sums of money at the proper times.

SECTION 23. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

(1) All revenue bonds issued under the provisions of this Act shall state that they are issued pursuant to this Act and to the provisions of KRS Chapters 56 and 58, as applicable. All revenue bonds issued under the provisions of this Act and the interest thereon shall be exempt from all taxation by the Commonwealth and its political subdivisions. All revenue bonds issued under the provisions of this Act shall have and are hereby declared to have all the incidents of negotiable instruments.

(2) The state property and buildings commission shall, in each resolution authorizing the issuance of revenue bonds under the provisions of this Act, determine the following:

(a) The maturity date or dates of the revenue bonds;

(b) The manner in which interest shall be paid thereon;

(c) The terms of redemption applicable thereto; and

(d) Such other particulars of the revenue bonds not contrary to law or inconsistent with this Act.

(3) Notwithstanding the provisions of KRS Chapters 56 and 58, revenue bonds issued under the provisions of this Act may be sold by the state property and buildings commission, and the interest rates to be borne by such bonds shall be determined, in such manner as the state property and buildings commission shall decide, including, without limitation, sale by private negotiation.

(4) No consent of any department, division, commission, board, bureau, or agency of the Commonwealth other than the proceedings, conditions and other things which are specifically required by this Act and KRS Chapters 56 and 58, shall be required for the issuance of revenue bonds under the provisions of this Act.

SECTION 24. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

(1) The proceeds of all revenue bonds issued and sold under the provisions of this Act, other than money required to pay the costs of the issuance of such revenue bonds, shall be deposited in the state treasury and shall be segregated in a special fund designated as the "Vietnam Veterans' Bonus Fund." Moneys in the Vietnam Veterans' Bonus Fund shall be disbursed from time to time upon requisition by the administrator solely for the payment of approved bonus claims and for the costs of the administration of this Act.

(2) Any moneys remaining in the Vietnam Veterans' Bonus Fund after the payment of all approved bonus claims and outstanding administrative costs shall be disposed of in accordance with the terms of the resolution of the state property and buildings commission authorizing the revenue bonds issued pursuant hereto.

Section 25. There is hereby appropriated to the department of military affairs out of the General Fund for fiscal year ending June 30, 1990, from net proceeds of the Kentucky Lottery Corporation, including those funds pursuant to KRS 48.700 derived from net proceeds of the Kentucky Lottery Corporation as of June 30, 1989, an amount equal to one-third (1/3) of such net proceeds of the Kentucky Lottery Corporation for payment of the Vietnam veterans' bonus authorized by this Act and for payment of debt service on revenue bonds issued pursuant to the provisions of this Act. The appropriation for payment of debt service on such revenue bonds shall be limited to debt service due and payable on or before June 30, 1990. The funds appropriated in this section shall not lapse but shall be carried forward for the purpose specified.

Section 26. There is hereby appropriated to the department of military affairs out of the General Fund for fiscal year ending June 30, 1989 the sum of five hundred thousand dollars ($500,000), and for fiscal year ending June 30, 1990 the sum of one million dollars ($1,000,000), for the administration of this Act. The funds appropriated in this section shall not lapse but shall be carried forward for the purpose specified.

Section 27. Whereas, to allow sufficient time to provide for the administration of this Act in accordance with the date requirements established by this Act, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

The Committee Substitute to **HB 5** is as follows:

HB 5, AN ACT relating to payment of a bonus to certain veterans who served during the Vietnam conflict and certain persons deriving from them, providing for funding thereof, appropriating funds for administration, and declaring an emergency.

WHEREAS, the electorate of the Commonwealth of Kentucky, at the regular election on November 3, 1959, approved the payment of a cash bonus to qualified veterans of the Spanish American War, World War

I, World War II, and the Korean conflict as an expression of appreciation for their service to the United States of America; and

WHEREAS, many citizens of the Commonwealth served at great personal sacrifice in the armed forces of the United States during the Vietnam conflict; and

WHEREAS, the General Assembly of the Commonwealth of Kentucky finds it appropriate to express to those citizens the gratitude of all of the citizens of the Commonwealth by the payment of a bonus to all veterans qualified hereunder who served in the armed forces of the United States in the Vietnam conflict;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

(1) It is hereby found, determined and declared that the citizens of the Commonwealth who served in the armed forces during the Vietnam conflict performed a public service for the United States of America and the Commonwealth and that the payment of the Vietnam veterans' bonus, as provided in this Act, promotes the public good by rewarding the public service rendered by such individuals and by encouraging future public service by citizens of the Commonwealth.

(2) It is hereby found, determined and declared that a bonus shall be paid by the Commonwealth of Kentucky in the amounts and to the persons determined in accordance with the provisions of this Act.

SECTION 2. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

As used in this Act, the following terms have the following respective meanings, unless another meaning is clearly required by the context:

(1) "Department of military affairs" means the office of the adjutant general, Commonwealth of Kentucky;

(2) "Administrator" means the individual designated by the adjutant general to carry out the responsibilities of this Act;

(3) "Armed forces" means the United States Army, Navy, Marine Corps, Air Force and Coast Guard, including the reserve components thereof on active duty, other than for in training, and shall not include the merchant marine;

(4) "Qualified Veteran" means any person whose period of active duty service meets the criteria set forth in subsection (5) or (6) of this section.

(5) "Qualifying Vietnam Service" means service by any person who:

(a) Served as a member of the Armed Forces of the United States in Vietnam or its contiguous waters or airspace (as defined in United States Department of Defense Directive 1348.15, October 1, 1965) for a period of at least thirty (30) days, unless such period was lessened as a result of death or medical evacuation, during the period July 1, 1958 through May 15, 1975; or served as a member of the Armed Forces of the United States served in Thailand, Laos or Cambodia, or participated in aerial missions in the airspace over same, for a period of at least thirty (30) days, unless such period was lessened as a result of death or medical evacuation, during the period July 3, 1965 through May 15, 1975; or served as a member of the Armed Forces of the United States and was awarded, or was eligible for award of, the Vietnam Service Medal established by United States Department of Defense Directive 1348.15, October 1, 1965;

(b) Was released, separated or discharged from the Armed Forces under other than dishonorable conditions or who is presently serving on active duty;

(c) Was a resident of the Commonwealth at the time of entry into active service in the Armed Forces and

for at least six (6) months prior thereto;

(d) Has not received a similar bonus for such service from any other state; and

(e) Did not receive a Kentucky veterans' bonus under the provisions of KRS 40.005 or KRS 40.010 to 40.990;

(6) "Qualifying Vietnam Era Service" means service by any person who:

(a) Served in the Armed Forces of the United States on active duty, including service in a reserve component thereof other than for training, for at least ninety (90) consecutive days, exclusive of time lost as AWOL or in penal confinement, during the period August 5, 1964 to May 15, 1975, but whose service was in a location not included in subsection (5) of this section;

(b) Was released, separated or discharged from the Armed Forces under other than dishonorable conditions or is still serving on active duty;

(c) Was a resident of the Commonwealth at the time of his entry into active service in the Armed Forces and for at least six (6) months prior thereto;

(d) Has not received a similar bonus for such service from any other state; and

(e) Did not receive a Kentucky veterans' bonus under the provisions of KRS 40.005 or KRS 40.010 to 40.990;

(7) "Resident of the Commonwealth at the time of entry into the active service" means any person who gave the Commonwealth of Kentucky, or any specific place in this Commonwealth, as his place of residence at such time of entry. Conclusive and exclusive evidence of such giving of place of residence shall be the official records on file in the department of defense of the United States, or any official record thereof in the files of the veterans' administration of the United States; but if it be shown to the satisfaction of the administrator that for any reason no such record was made, or that the same has been lost, misplaced, destroyed, or was in error or that an authenticated copy thereof cannot be obtained within a reasonable time, other evidence of bona fide residence may be accepted if deemed sufficient by the administrator;

(8) "Resident," in any context other than as in subsection (5) of this section, means a legal resident as determined by generally established principles of law, as may be defined, and subject to proof, according to such regulations as the administrator may promulgate;

(9) "Beneficiary" means the following persons who were alive at the time of application, in this order, widow, if none to the child or children equally, if none to the mother and father equally, but if the father is dead, the mother, if living, shall take the whole amount; but if the mother is dead, the father, if living, shall take the whole amount;

(10) (a) "Widow" means a woman who was the wife of a qualified veteran at the time of his death;

(b) The term "widow" also includes "widower" in the case of a man who was the husband of a female qualified veteran at the time of her death;

(11) "Child" means a person:

(a) Who is under the age of eighteen (18); or

(b) Who, before attaining the age of eighteen (18) years, became permanently incapable of self-support; or

(c) Who, after attaining the age of eighteen (18) years and until completion of education or training (but not after attaining the age of twenty-three (23) years) is pursuing a course of instruction at a bona fide educational institution; and who, in relationship to the veteran, is a legitimate child; a legally adopted child; a step-child who is a member of a qualified veteran's household or was a member at the time of the veteran's death; or an illegitimate child, but, as to the alleged father, only if acknowledged in writing signed by him or if he had, before his death, been judicially decreed to be the father of such child;

(12) "Mother" means a mother, a mother through adoption, or a woman who for a period of not less than one (1) year stood in the relationship of a mother to a qualified veteran before his or her entry into active service in the armed forces, or if two (2) persons stood in such relationship for one (1) year or more, the person who last stood in such relationship before the veteran's last entry into active service in the armed forces;

(13) "Father" means a father, a father through adoption, or a man who for a period of not less than one (1) year stood in the relationship of a father to a qualified veteran before his or her entry into active service in the armed forces, or if two (2) persons stood in such relationship for one (1) year or more, the person who last stood in such relationship before the veteran's last entry into active service in the armed forces;

(14) "In the continental United States" means any place in the District of Columbia and the States of the United States which are on the North American continent, exclusive of Alaska;

(15) "Outside the continental United States" means any place elsewhere than as defined in subsection (12) of this section;

(16) "Bonus" and "Vietnam veteran's bonus" mean the compensation authorized by this Act;

(17) "Bonus claim" means a claim or potential claim for a Vietnam veteran's bonus; and

(18) "Claimant" means one who seeks to obtain payment of a bonus claim.

SECTION 3. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

No bonus shall be paid to any member of the armed forces of the United States who did only civilian work at civilian pay, who has received from another state a bonus similar to the bonus provided by this Act, or who received the Kentucky veterans' bonus under the provisions of KRS 40.005 or KRS 40.010 to 40.990.

SECTION 4. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

(1) Every person determined by the administrator to be a qualified veteran shall be paid the sum of fifteen dollars ($15.00) for each month and major fraction of a month of qualifying Vietnam era service, not to exceed in all the sum of three hundred dollars ($300); and the sum of twenty-five dollars ($25.00) for each month and major fraction of a month of such service which is qualifying Vietnam service, subject to an aggregate limit for all service in the sum of five hundred dollars ($500). Any qualified veteran who was medically evacuated from a location, service in which location constituted qualifying Vietnam service, shall receive the sum of five hundred dollars ($500.00), this sum to be in lieu of any other bonus for which said veteran may qualify under the provisions of this Act.

(2) If a person determined to have been a qualified veteran shall be deceased at the time payment of the bonus would otherwise be made to him, the amount of his bonus shall be paid to the first surviving beneficiary, if any, according to the order of priority defined in Section 2(9) of this Act and if there be no surviving beneficiary, the bonus of such veteran shall lapse, and no payment thereof shall be made.

(3) A beneficiary (as defined in Section 2, subsections (9), (10), (11), (12), and (13) of this Act) of a person killed in the line of duty while serving in the armed forces of the United States during the period of eligibility, or who died of service-connected injury sustained while so serving, and who would otherwise have qualified for the bonus provided in subsection (1) of this section, shall be paid three hundred dollars ($300) if no part of the total service during the period was served outside the Continental United States or five hundred dollars ($500) if any part of the total service during the period was served outside the Continental United States. The provisions of subsection (1) of this section and the minimum period of service for entitlement to a bonus as established by Section 2(4) of this Act shall not apply to these beneficiaries. However, this exception does not waive the respective maximums of three hundred dollars ($300) or five hundred dollars ($500) for each veteran, person killed in the line of duty while on active duty in the armed forces, or person who died as a result of service-connected injury sustained while on active duty in the armed forces. Payment shall be made to a beneficiary in the order of priority defined in Section 2(9) of this Act.

SECTION 5. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

The department of military affairs, Commonwealth of Kentucky, shall administer the provisions of this Act and shall:

(1) Prepare and make available forms on which applications for the bonus shall be made;

(2) Employ such additional personnel as may be required for orderly and expeditious administration;

(3) Promulgate all administrative regulations required for the effective administration of this Act; and

(4) Report annually to the governor and the legislative research commission within sixty (60) days after the end of each fiscal year during its administration of this Act.

(5) Report to the governor and to the legislative research commission not later than the thirtieth (30th) day prior to the beginning of the 1990 regular session of the general assembly, and each thirty (30) days thereafter until adjournment of the 1990 regular session of the general assembly, concerning the following:

(a) The number of claims which have been submitted;

(b) The number of claims which have been approved for payment;

(c) The number of claims which are subject to further review; and

(d) An accounting for the funds which have been spent in the administration of this Act.

SECTION 6. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

All applications for the bonus shall be submitted to the adjutant general, Commonwealth of Kentucky, in writing, upon forms made available for that purpose, and shall be accompanied by such documentary evidence as prescribed by appropriate administrative regulations. Every application shall be certified under the penalties of perjury, and shall contain representations of the claimant (or, if he shall have been adjudged incompetent, or be an infant, of his committee or guardian), that:

(1) The facts therein stated are true to the best of his knowledge and belief;

(2) All documents submitted in support of the application are believed by the claimant to be genuine originals or copies, as the case may be, and that the claimant has no knowledge that the document has been superseded or cancelled;

(3) The claimant has not received from another state a bonus or compensation of a like nature as provided by this Act;

(4) The claimant has not received the Kentucky veterans' bonus provided under KRS 40.005 or KRS 40.010 to 40.990;

(5) The claimant has neither paid nor agreed to pay, directly or indirectly, any compensation for assistance received in preparing and tendering the application; and

(6) The claimant has knowledge of the fine and forfeiture provisions of this Act;

(7) The application form shall contain provision for, and each claimant shall elect, one (1) of the following choices:

(a) The claimant is eligible for and desires to receive a bonus payment; or

(b) The claimant is eligible for a bonus payment but requests that his payment be deposited into a veterans' program trust fund, which is hereby established, the proceeds and interest therefrom to be used for veterans' programs administered by the department of military affairs.

SECTION 7. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

(1) No application shall be filed with or sent to the adjutant general before the 1st day of March, 1989.

(2) No application may be filed with or sent to the administrator after the twenty-eighth day of February, 1990; but if an application is sent by mail, the adjutant general shall receive it if the post-mark on the envelope shows date and time of mailing at or before midnight, central standard time, on or before the twenty-eighth day of February, 1990.

(3) Applications tendered to the adjutant general otherwise than as provided in subsections (1) and (2) of this section shall not be eligible for consideration under this Act and shall not be accepted. Each such application received by mail shall be returned to the sender, if a return address be given, together with notification of the reason for its return.

SECTION 8. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

No claimant shall be entitled to an oral hearing as a matter of right; but the adjutant general may in his discretion order a hearing in any case presenting unusual circumstances, or where it appears that documentary evidence of any material fact cannot reasonably be obtained, or where the claim cannot otherwise adequately be determined. The adjutant general may investigate any matter which in his judgment is not adequately proven, or which shows or raises an inference of fraud; and may require submission of supplementary proof.

SECTION 9. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

A hearing ordered by the adjutant general shall be conducted by a single person designated by the adjutant general. Formalities of judicial procedure and proof may be waived. No stenographic transcript of the proceedings shall be made except when specifically authorized by the adjutant general, and in the absence of such authorization the hearing officer shall submit to the adjutant general his written summary of the proceedings. There shall be no right to written or oral argument; but the adjutant general may, in his discretion, authorize either.

SECTION 10. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

The burden of proving to the satisfaction of the adjutant general that a bonus is payable shall in all cases be upon the claimant.

SECTION 11. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

The adjutant general shall make prompt determination that each application is approved or disapproved for payment of a bonus; and if approved, shall determine the amount to be paid according to the provisions of this Act.

SECTION 12. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

(1) If a claim is disapproved, the adjutant general shall send a notice of such decision to the claimant by mail at the address shown in the application. The notice shall be in such form as the adjutant general may determine, shall contain a designation of the reason for disapproval, shall inform the claimant of his right to seek review, shall have attached such form of request for review as the adjutant general may prescribe, and shall give information as to procedure for review.

(2) Application for review of a disapproval shall be made only on the forms prescribed, and shall be received in the designated office not later than the closing hour in the thirtieth (30th) day after the day upon which the notice of disapproval is mailed, or be forever barred.

(3) Upon receiving an application for review, the administrator shall transmit the same, together with the original application and all papers in the case, to the board of review, hereinafter created.

(4) The board of review shall promptly consider the same evidence which was available to the administrator, and shall promptly enter in the case file its decision either finally affirming the administrator's decision, or finally determining the claim and the amount thereof.

(5) The board of review shall send a notice of its decision to the claimant by registered mail, and shall return the case file to the administrator. The decision of the board of review shall be a final determination of the claim shown in the application.

SECTION 13. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

If the administrator shall disapprove any claim, or if the decision of the board of review be affirmance of the administrator's disapproval of the claim:

(1) No payment of a bonus shall be made,

(2) The administrator, upon receiving advice of the decision, shall note the same in a permanent book or record in his office; shall forthwith return to the claimant the copies of any official records submitted in support of the application; shall finally close the claim file; and may destroy all other papers except the application.

SECTION 14. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

(1) If a claim is approved by the administrator or finally approved upon resort to the board of review, the administrator shall promptly certify to the secretary of the cabinet for finance and administration the names and addresses of persons found entitled to be paid, as shown in the application, and the amount payable to each.

(a) A copy of each such certificate shall be sent to the secretary of the revenue cabinet, who shall promptly ascertain from the records of his agency whether any person proposed to be paid a bonus is delinquent in the payment of any tax liability to the Commonwealth. No delinquency shall be deemed to exist as to any asserted tax liability which is the subject of a bona fide dispute. If any delinquency be found to exist, the secretary of revenue shall within three (3) working days after this receipt of the certificate, furnish the details thereof to the secretary of finance and administration; and if no advice of tax delinquency is received by the secretary of finance and administration before the end of the fourth working day after his receipt of certification from the administrator, he shall, for the purposes of this Act, conclusively presume that no delinquency of tax liability to the Commonwealth exists, but such presumption shall apply only to the existence or absence of a set-off by the Commonwealth against a certified claim for a bonus, and shall not alter the facts as between the Commonwealth and any taxpayer.

(b) If no advice of tax delinquency is received within such allowed time, the secretary of finance and administration may approve payment in accordance with the certificate of the administrator, and may immediately draw a warrant on the state treasury for a check in payment, except that no warrant shall be drawn by the secretary until sufficient funds have become available to pay the bonus authorized by this Act.

(c) Upon receipt of such warrant the state treasurer shall issue a check in accordance therewith payable from funds made available for payment of the bonus authorized by this Act, and the same shall promptly be mailed to the payee thereof at the address shown in the certificate.

(2) If the secretary of finance and administration shall, within the allowed time, receive advice from the secretary of revenue of the existence of a delinquency on the part of any person having an approved claim for a bonus, as to any tax liability to the Commonwealth, the secretary of finance and administration shall note the same on the certificate of the administrator, withhold payment, and forthwith send to the claimant by registered mail a notice of the asserted delinquency, and the amount thereof, and that it is proposed that the same be set off against the bonus payment.

(a) If the secretary of finance and administration receives no protest in his office within ten (10) working days after recording such notice, he shall conclusively presume that the proposed set-off is just, shall apply the amount thereof in reduction or extinguishment of the payment certified by the administrator, and shall advise the secretary of revenue of the amount set off against the bonus, which advice shall be noted by the secretary of revenue on the records of his office as a credit upon the delinquent tax liability.

(b) If the tax set-off does not consume the entire amount of the bonus as certified by the administrator, the secretary shall draw a warrant upon the state treasury for a check in the amount of the remainder, and upon receiving such check from the state treasurer shall send the same, together with advice of the set-off, by mail, to the payee at the address shown in the certificate of the director.

(3) If the secretary of finance and administration receives from the claimant a protest of the asserted tax delinquency, within the allowed time, the secretary shall withhold approval for payment, and shall refer the protest to the secretary of revenue for disposition.

(4) If a tax set-off is made, and the claimant shall assert error with regard thereto, the exclusive remedy shall be by seeking refund from the secretary of revenue.

SECTION 15. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

(1) Claims for payment of a bonus shall not be assignable before or after approval thereof; and any attempted or purported assignment received by or tendered to any officer of the Commonwealth shall be void, need not be acknowledged or returned, and may be disregarded.

(2) Payments of the bonus shall be exempt from all taxation by the Commonwealth, its political subdivisions and taxing districts.

(3) No claim for payment of a bonus and no payment made by the Commonwealth under this Act shall give rise to a cause of action against the Commonwealth or any of its officers, agents, or employes, and no claim for payment shall be subject to attachment, levy, garnishment or seizure by or under any legal or equitable process whatever; but this provision shall not extend exemption from legal process to the proceeds of any bonus payment after the same has been received from the Commonwealth.

(4) The Commonwealth does not consent to be sued in any court with regard to any matter connected with or arising out of claims for payment of the bonus herein authorized.

SECTION 16. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

(1) There shall be a board of review consisting of nine (9) persons who are residents and qualified voters of the Commonwealth, appointed by the governor without limitation as to political affiliation, religion, race, sex, or past or present service in the armed forces, except that six (6) members of this board shall be veterans. The name of said board shall be "The Vietnam Veterans' Bonus Board of Review." The governor shall designate a chairman and a secretary from among the membership.

(2) Three (3) members and no more shall constitute a board of review, and shall by concurrence of two (2) members decide any claim which comes before the board in the manner provided in this Act. The chairman of the board shall designate three (3) members to consider and decide each claim, having due regard for availability for service so that delay may be avoided.

(3) The chairman and secretary shall devote their full time to the affairs of the board and shall receive compensation at the rate to be fixed in accordance with personnel standards fixed by the commissioner of personnel until the functions of the board are performed and the board is dissolved as hereinafter provided. Other members of the board shall be compensated fifty dollars ($50.00) per diem, but only for actual time served in considering and deciding claims for veterans' bonuses pursuant to designation by the chairman. All members of the board shall be reimbursed for necessary travel to and from their places of residence, and in performance of duties pursuant to assignment, at the rate of eighteen cents (18) per mile.

(4) Each claim coming before the board shall promptly be considered and decided by the three (3) members designated for that purpose. In every case the board shall either affirm the decision of the administrator, or determine that a veterans' bonus should be paid, and to what persons and in what amounts. No written opinions or recitations of reasons for any decision need be made. A statement of the decision made shall be signed by at least two (2) of the three (3) members designated to decide the claim; and upon concurrence of two (2) members a decision shall be final and not subject to reconsideration.

(5) When, after March 1, 1990, the board of review shall have decided all cases coming before it for decision, the chairman shall report such fact to the governor in writing. The governor shall thereupon declare that the board of review is dissolved, and shall so notify the members, and the functions and duties of the board shall be deemed to have been fully performed.

SECTION 17. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

Any person who charges or collects or attempts to charge or collect either directly or indirectly, any fee or other compensation for assisting in any manner a person seeking to obtain payment of a bonus under this Act, shall be fined not more than five hundred dollars ($500) or imprisoned in the county jail for a term of not more than six (6) months, or both; but this provision is not intended to prohibit:

(1) Collection by public officers of statutory fees for providing authenticated copies of public records, or

(2) The giving of assistance or advice to claimants by any bona fide veterans' organization, civic organization, institution, public or private body, or person, through one (1) or more persons compensated from the funds of such organization, institution, or public or private body or person, if no fee or charge therefor is collected from the asserted claimant.

SECTION 18. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

Whoever makes any false or fraudulent statement of a material fact in any application, affidavit, certificate or document submitted or tendered for the purpose of obtaining payment of a bonus under this Act, shall be fined not more than one thousand dollars ($1,000) or imprisoned in the penitentiary for a term of not more than two (2) years, or both.

SECTION 19. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

Any person conspiring to obtain payment of a fraudulent claim for a bonus under this Act, or conspiring to defraud one who receives payment or has a bona fide claim for payment of a bonus, shall be fined not more than one thousand dollars ($1,000) or imprisoned in the penitentiary for not more than two (2) years, or both.

SECTION 20. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

Any person convicted of any offense denounced in Sections 17, 18, and 19 of this Act shall forfeit his or her right, if any, to receive any payment authorized by this Act.

Section 21. There is hereby appropriated to the department of military affairs out of the General Fund for fiscal year ending June 30, 1989 the sum of five hundred thousand dollars ($500,000), and for fiscal year ending June 30, 1990 the sum of one million dollars ($1,000,000), for the administration of this Act. The funds appropriated in this section shall not lapse but shall be carried forward for the purpose specified.

Section 22. The secretary of finance and administration is directed to reimburse the general fund, subsequent to any reimbursements directed by House Bill 6 of the 1988 extraordinary session of the general assembly, for the appropriations made by this Act from monies initially transferred or collected from the Kentucky lottery revenues pursuant to House Bill 1 as enacted by the 1988 extraordinary session of the general assembly.

Section 23. Whereas, to allow sufficient time to provide for the administration of this Act in accordance with the date requirements established by this Act, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

The Committee Title Amendment to **HB 5** is as follows:

Amend printed copy of **HB 5**, by amending the title to read:

AN ACT relating to payment of a bonus to certain veterans who served during the Vietnam conflict and certain persons deriving from them, appropriating funds for administration, providing for reimbursement of appropriated funds, and declaring an emergency.

Calendar

HB 6 taken from the Calendar and ordered read at length for the second time. Representative Stumbo moved that it be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Representative Riner moved the rules be suspended to act upon a Resolution. Agreed.

Representative Riner moved the adoption of the following **HR 7**:

HR 7. A RESOLUTION adjourning the House of Representatives in memory and honor of Pastor Waymon L. Rogers.

With deepest respect, we pay tribute to the memory of Pastor Waymon L. Rodgers, born June 14, 1927, who traversed these earthly bounds on November 2, 1988.

WHEREAS, Waymon L. Rodgers began preaching at sixteen years of age, and after attending the Arkansas Bible Institute and Southwestern Assembly of God College, was ordained a minister in 1947; and

WHEREAS, Waymon L. Rodgers was a pioneer pastor, his ninth church being in Owensboro, Kentucky; and

WHEREAS, Pastor Waymon L. Rodgers was called to Louisville, Kentucky to begin yet another new work of reaching out to the city with compassion and love of the Lord; and

WHEREAS, Pastor Waymon L. Rodgers began the Evangel Tabernacle, now the Evangel Christian Life Center, in Louisville, Kentucky with a congregation of nine people in 1956, growing to a congregation of 5,000 people today; and

WHEREAS, Pastor Waymon L. Rodgers, due to his deep commitment to God and his fellow man, realized many accomplishments during his lifetime; and

WHEREAS, under his leadership, a bus ministry was established enabling children to attend church and special programs designed to meet their spiritual, physical and social needs; and

WHEREAS, Pastor Waymon L. Rodgers helped establish the Bethesda Manor Nursing Home in 1969, a home for the elderly; and

WHEREAS, Pastor Waymon L. Rodgers began broadcasting the gospel in 1966 over WFIA radio and local television stations, and was instrumental in establishing WBNA TV-21 and WJIE FM radio; and

WHEREAS, Pastor Waymon L. Rodgers began a Christian Day School in 1971 which grew to include preschool and kindergarten through the twelfth grade by 1974; and

WHEREAS, during his ministry, Evangel Bible Institute was created for serious students of the Bible; and

WHEREAS, Pastor Waymon L. Rodgers established 37 chapels in the City of Louisville and surrounding counties, of which many have become fully functioning church bodies; and

WHEREAS, Pastor Waymon L. Rodgers began a twenty-four hour prayerline in 1973 in which thousands of calls are received each year from people throughout the area; and

WHEREAS, under his leadership, Prayer Mountain, located in Bullitt county, was established as a prayer and retreat center for individuals and groups; and

WHEREAS, even now after death, his work continues through contributions made to the Waymon L. Rodgers Memorial Fund enabling The Lord's Kitchen in the south-central area of Louisville to feed the hungry and meet the needs of the poor; and

WHEREAS, Pastor Waymon L. Rodgers was a true servant of the Lord;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives expresses its profound grief over the loss of Pastor Waymon L. Rodgers.

Section 2. That the House of Representatives extends its sincere and most heartfelt sympathy to his family.

Section 3. That when the House of Representatives adjourns this day, Wednesday, November 30, 1988, it does so in loving memory of Pastor Waymon L. Rodgers.

Section 4. That the Clerk of the House of Representatives is directed to transmit a copy of this resolution to the Evangel Christian Life Center, 5400 Minors Lane, Louisville, Kentucky, 40219.

HR 7 was adopted by voice vote.

Representative Riner moved the rules be suspended to act upon a Legislative Citation. Agreed.

Representative Riner moved the adoption of Legislative Citation No. 4. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby commend the commander and crew of the USS LOUISVILLE for their vital role in helping to preserve peace during the season when so many are celebrating the birth of Jesus Christ, the Prince of Peace.

The brave Americans represent less than ten percent of the United States Naval Fleet being deployed during this 1988 Christmas Season very selflessly sacrificing the luxury of enjoying their families and friends during this Holiday Season to protect the freedom and well being of their fellow countrymen.

This prestigious body joins Representative Tom Riner in wishing you a Merry Christmas. (Sponsored by Representative Riner)

Motions, Petitions and Communications

Representative Stumbo moved the rules be suspended for the purpose of making a motion concerning co-sponsors. Agreed.

Representative Stumbo moved that all properly filed co-sponsor requests be approved. Agreed.

The following members filed requests to have their names added as co-sponsors of Bills and Resolutions:

HB 1, Representative Donnermeyer.

HB 5, Representatives Ballard, Cyrus, Gregory, J. Harper, Napier, Noland, Preston, Seum, Strong, White.

HR 8, Representatives Blevins, Donnermeyer, Ford, Heleringer, Maggard, Napier, Richards, Strong, Turner, Walker.

Adjournment

Representative Stumbo moved that the House adjourn until 4:00 p.m., Monday, December 5, 1988.

On the roll call the vote was yeas 74—Adkins, Allen, Altman, Ark, Arnold, Ballard, Blandford, Blevins, M. Brown, Callahan, Casebier, Castleman, L. Clark, P. Clark, Crupper, Curd, Cyrus, Donnermeyer, Farrow, Ford, Freibert, Gedling, Gray, Gregory, Hancock, Handy, J. Harper, K. Harper, Hatcher, Hoover, Hourigan, Johnson, A. Jones, Keith, Kerr, Layman, Lear, Lefevers, Lile, Long, Lundergan, Lyne, Mack, Maggard, Mason, McBee, McElroy, Meyer, Moberly, Napier, Noe, Noland, Northup, O'Brien, Pritchett, Reinhardt, Richards,

B. Richardson, P. Richardson, Ridley, Riner, Robinson, Scorsone, Seum, Siler, Strong, Stumbo, Todd, Turner, Walker, White, Will, Worthington, Yates. Nays 3—Guenthner, LeMaster, Preston.

The motion to adjourn was adopted.

MONDAY, DECEMBER 5, 1988

SIXTH LEGISLATIVE DAY

The House was called to order by Speaker Blandford.

Prayer by Dr. James Wagner, South Frankfort Presbyterian Church, Frankfort, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Deskins, Hoover, Little, Moberly, Preston and Priddy.

Representative McElroy moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative McElroy moved that the reading of the Journal of December 2, 1988 be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HR 9, by Representative Riner: A RESOLUTION honoring the commander and crew of the nuclear-powered submarine USS Louisville.

HR 10, by Representatives Blevins, Yates, Callahan, Kerr, Ark, Donnermeyer, Altman, Todd, Ford, White, Richards and Altman: A RESOLUTION commending Secretary Milo D. Bryant for his implementation and oversight of the anti-litter program within the Kentucky Transportation Cabinet.

HR 11, by Representative Scorsone: A RESOLUTION commending the Picadome Elementary School Parent-Teacher Association, the Picadome Neighborhood Association and various volunteers for constructing the Picadome Creative Playground.

HR 12, by Representative Siler: A RESOLUTION adjourning the House of Representatives in memory and honor of Dr. James Malcolm Boswell.

HR 13, by Representatives Barrows, Noe, Moberly, T. Jones, Nett, Blevins, Curd, L. Clark, Rapier, Keith, Lefevers, Casebier, Scorsone and Lile: A RESOLUTION honoring two distinguished former chairmen of the Kentucky State Board of Education.

Calendar

HB 5 taken from the Calendar and ordered read at length for the second time. Representative Stumbo moved that it be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Recess

Representative Stumbo moved that the House recess for five minutes for a meeting of the Committee on Rules. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Representative Stumbo moved the rules be suspended for Report of Committees. Agreed.

Report of Committees

The Committee on Rules reported **HB 5** and **HB 6** have been posted for passage in Orders of the Day,

December 6, 1988.

Representative Riner moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Riner moved the adoption of the following **HR 9**:

HR 9, A RESOLUTION honoring the commander and crew of the nuclear-powered submarine USS Louisville.

WHEREAS, the navy submarine USS Louisville reflects honor on the City of Louisville and the Commonwealth of Kentucky; and

WHEREAS, the commander and crew of the USS Louisville represent less than ten percent of the United States Naval Fleet being deployed during this 1988 Christmas season; and

WHEREAS, the USS Louisville commander and crew will not be afforded the luxury of enjoying their families and friends during this 1988 Christmas season; and

WHEREAS, in acknowledging our appreciation to the outstanding commander and elite crew of the USS Louisville, we urge the mayor of Louisville, Superintendent of Jefferson County schools, business, church and civic leaders to remember the commander and crew of the USS Louisville by encouraging others to send Christmas cards and baked goods by December 12, 1988 to the following address: The Fleet Post Office, USS Louisville, F.P.O. New York 09577-2404;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives extends warmest holiday wishes to the commander and crew of the USS Louisville for their vital role in helping to preserve peace during the season when so many are celebrating the birth of Jesus Christ, the Prince of Peace.

Section 2. That the House of Representatives invites all Kentuckians to extend their hospitality this 1988 holiday season to the commander and crew of the USS Louisville.

Section 3. That when the House of Representatives adjourns this day, Friday, December 2, 1988, it does so in honor of the commander and crew of the USS Louisville.

Section 4. That the Clerk of the House of Representatives is directed to transmit a copy of this resolution to the commander and crew, The Fleet Post Office, USS Louisville, F.P.O. New York 09577-2404.

HR 9 was adopted by voice vote.

Representative Blevins moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Blevins moved the adoption of the following **HR 10**:

HR 10, A RESOLUTION commending Secretary Milo D. Bryant for his implementation and oversight of the anti-litter program within the Kentucky Transportation Cabinet.

WHEREAS, the appearance of Kentucky's highway system is of vital importance to the image of the Commonwealth to our many out-of-state visitors; and

WHEREAS, roadways cluttered with litter can only detract from the natural scenic beauty which abounds in this Commonwealth; and

WHEREAS, cleanliness along the highways of Kentucky should be of importance and a matter of pride to all citizens of the Commonwealth; and

WHEREAS, the Secretary of the Kentucky Transportation Cabinet has taken the initiative to show off Kentucky's natural beauty by implementation of an anti-litter campaign and litter pick-up program; and

WHEREAS, positive effects of this program by the Cabinet can be seen in every county of this Commonwealth and will no doubt enhance Kentucky's image throughout the nation;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives commends Secretary Milo D. Bryant for the work undertaken pursuant to the anti-litter campaign within the Kentucky Transportation Cabinet.

Section 2. That a copy of this resolution be sent to the Governor of the Commonwealth of Kentucky and the Secretary of the Kentucky Transportation Cabinet.

HR 10 was adopted by voice vote.

Representative Blevins moved that a call of the roll be taken to show co-sponsors of **HR 10**. Agreed.

The following members requested that their names be added as Co-Sponsors of **HR 10**: Ackerson, Adkins, Allen, Altman, Ark, Arnold, Ballard, Barrows, Blandford, Bronger, J. Brown, M. Brown, Burch, Callahan, Casebier, Castleman, L. Clark, P. Clark, Cline, Crupper, Curd, Cyrus, Donnermeyer, Farrow, Ford, Freibert, Gedling, Gray, Gregory, Guenthner, Hancock, Handy, J. Harper, K. Harper, Hatcher, Heleringer, Hourigan, Jackson, A. Jones, Keith, Kerr, Layman, Lear, Lefevers, LeMaster, Lile, Long, Lundergan, Lyne, Mack, Maggard, Mason, McBee, McElroy, Meyer, Napier, Nett, Noland, Northup, O'Brien, Pritchett, Rapier, Richards, B. Richardson, P. Richardson, Ridley, Riner, Robinson, Scorsone, Seum, Siler, R. Smith, Stumbo, Todd, Turner, Walker, White, Will, Worthington, Yates.

Representative L. Clark moved the rules be suspended to act upon a Legislative Citation. Agreed.

Representative L. Clark moved the adoption of the following Legislative Citation No. 2. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby honors and congratulates KELLY BAIRD, COACH, St. Bernard's Football Team, whose aptitude for the international sport of football, whose ability to instruct, train, and inspire athletes, and whose dedication to good sportsmanship have led the St. Bernard 5th and 6th grade class football team to a successful 8-2 season. Assistant Coach Fetty and his players are sources of great pride to St. Bernard and the Commonwealth of Kentucky.

Kentucky General Assembly joins Representative Larry Clark in saluting and applauding Assistant Coach Dan Zay. (Sponsored by Representative L. Clark)

Representative Siler moved the rules be suspended to act upon a Resolution. Agreed.

Representative Siler moved the adoption of the following **HR 12**:

HR 12, A RESOLUTION adjourning the House of Representatives in memory and honor of Dr. James Malcolm Boswell.

With a profound sense of bereavement and loss we hereby pay homage to the memory of our departed friend Dr. James Malcolm Boswell.

WHEREAS, Dr. James Malcolm Boswell has crossed that final bourne from which no traveller returns; and

WHEREAS, Dr. James Malcolm Boswell was an exceptional individual who dedicated his life to the education of Kentucky's youth, serving as the late President of Cumberland College in Williamsburg; and

WHEREAS, born in Harrison County on January 26, 1906, Dr. Boswell graduated Magna Cum Laude from Georgetown College in 1928 with a major in Mathematics and a minor in Physics; and

WHEREAS, Dr. James Boswell continued his education at the University of Kentucky receiving a Master of Arts in Mathematics in 1931; and

WHEREAS, Dr. Boswell proudly served his country during World War II as a Lt. Commander in the United States Navy; and

WHEREAS, elected administrator in 1945, Dr. James Boswell officially became President of Cumberland College in 1947 and held that position until July of 1980; and

WHEREAS, because of Dr. Boswell's devotion and commitment to excellence in education, his tenure saw Cumberland Junior College with an enrollment of 200 students grow into a fully accredited senior college with an enrollment exceeding 2,000; and

WHEREAS, in 1980 Dr. Boswell was named Outstanding Alumni of Georgetown College and in 1982 was the recipient of the Lt. Governor's Award as Outstanding Kentuckian; and

WHEREAS, James Malcolm Boswell was a devoted husband to his wife Mary and a loving father to his son James Jr. and his daughter Louise; and

WHEREAS, Dr. James Boswell was a faithful member of the First Baptist Church of Williamsburg and had served for many years as a Deacon and Sunday School teacher; and

WHEREAS, Dr. James Boswell was active in civic and community affairs and had been a member of the Rotary Club for 42 years; and

WHEREAS, Dr. James Boswell will forever be remembered for his ability to inspire young people to pursue a neverending quest for knowledge;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of this august body do hereby mourn the passing of Dr. James Malcolm Boswell, a truly exemplary Kentuckian and humanitarian.

Section 2. That the House does hereby commend the members of Dr. Boswell's family to the solace of the Almighty to endure these dark and painful hours and to draw strength for the difficult and lonely days ahead.

Section 3. That when the House of Representatives of the General Assembly of the Commonwealth of Kentucky does adjourn this day, Monday, December 5, 1988, it does so in memory and honor of Dr. James Malcolm Boswell.

Section 4. That the Clerk of the House is hereby directed to transmit a copy of this resolution to the family of Dr. Boswell in care of Mrs. Mary Dudley Boswell, Pine Street, Williamsburg, Kentucky 40769; President James H. Taylor and Dr. E.C. Masden, Cumberland College, Cumberland College Station, Williamsburg.

HR 12 was adopted by voice vote.

Representative Scorsone moved the rules be suspended to act upon a Resolution. Agreed.

Representative Scorsone moved the adoption of the following **HR 11**:

HR 11, A RESOLUTION commending the Picadome Elementary School Parent-Teacher Association, the Picadome Neighborhood Association and various volunteers for constructing the Picadome Creative Playground.

WHEREAS, the Picadome Neighborhood Association and Picadome Elementary School Parent-Teacher Association envisioned the building of a playground by the community to serve the needs of the local children; and

WHEREAS, many volunteers from different walks of life pitched in and gave of their muscle and time to begin and complete a project under severe time constraints; and

WHEREAS, these people toiled under adverse and tenuous weather conditions for five days to build a playground for children of the school and the community; and

WHEREAS, true community spirit was shown as Lexingtonians responded to the plea to help build the playground by volunteering or donating food, equipment, supplies, and services; and

WHEREAS, despite their busy and otherwise hectic schedules, the businessmen, retirees, parents, teachers, college students, teenagers, and others proved once again that through hard work a collective goal could be achieved; and

WHEREAS, this state has historically had a strong sense of volunteerism and the people of Lexington have once again proven the effect of volunteerism; and

WHEREAS, good physical fitness and wholesome activities promote our young people's physical and emotional wellbeing and the building of a playground will help achieve these goals;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this body commend the Picadome Elementary School Parent-Teacher Association, the Picadome Neighborhood Association and various volunteers for constructing the Picadome Creative Playground.

Section 2. That the Clerk of the House of Representatives send copies of this resolution to the Picadome Elementary School Parent-Teacher Association and the Picadome Neighborhood Association.

HR 11 was adopted by voice vote.

Representative Barrows moved the rules be suspended to act upon a Resolution. Agreed.

Representative Barrows moved the adoption of the following **HR 13**:

HR 13, A RESOLUTION honoring two distinguished former chairmen of the Kentucky State Board of Education.

WHEREAS, Mr. James M. Ratcliffe and Dr. Clay Parks earned the honorable and prestigious Distinguished Service Award from the Kentucky State Board of Education on November 1, 1988; and

WHEREAS, Mr. James M. Ratcliffe served as vice-chairman of the board from 1983 to 1984 and chairman from 1984 to 1986; and

WHEREAS, Dr. Clay Parks served as chairman of the board from 1986 to 1988; and

WHEREAS, these distinguished leaders have served on numerous professional organizations and participated in many civic activities that have addressed issues of education; and

WHEREAS, Mr. James M. Ratcliffe, a Managing Partner of Coopers and Lybrand, an international accounting firm, and Dr. Clay Parks, a dentist, have ably committed themselves to their primary interest, that being education; and

WHEREAS, these tireless public servants' efforts, devotion, and accomplishments continue through their unending participation in educational endeavors;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives is extremely proud to honor Mr. James M. Ratcliffe and Dr. Clay Parks for their extraordinary efforts.

Section 2. That the House extends congratulations to Mr. James M. Ratcliffe and Dr. Clay Parks on receiving the "Distinguished Service Award."

Section 3. That the Clerk of the House is directed to transmit copies of this resolution to Mr. James M. Ratcliffe and Dr. Clay Parks.

HR 13 was adopted by voice vote.

Announcements

Floor Amendment No. 1 to the Committee Substitute to **HB 5**, by Representative Siler:

Amend printed copy of HCS for **HB 5**, on page 3, line 16, by inserting after the word "in" and before the word "Thailand" the following: "the Dominican Republic, Congo,".

The following meeting was announced:

Appropriations and Revenue: Tuesday, December 6, 1988 at 10:00 a.m.

Adjournment

Representative Stumbo moved that the House adjourn until 2:00 p.m., Tuesday, December 6, 1988.

On the roll call the vote was yeas 84—Ackerson, Adams, Adkins, Allen, Altman, Ark, Arnold, Ballard, Barrows, Blandford, Blevins, J. Brown, M. Brown, Bruce, Burch, Callahan, Casebier, Castleman, L. Clark, P. Clark, Clarke, Cline, Crupper, Curd, Cyrus, Donnermeyer, Farrow, Ford, Freibert, Gedling, Gray, Gregory, Hancock, Handy, J. Harper, K. Harper, Hatcher, Hourigan, Jackson, Johnson, A. Jones, R. Jones, T. Jones, Keith, Kerr, Layman, Lear, Lefevers, Lile, Lundergan, Lyne, Mack, Maggard, Mason, McBee, McElroy, Meyer, Morris, Napier, Nett, Noe, Noland, Northup, O'Brien, Pritchett, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Ridley, Riner, Robinson, Scorsone, Siler, Strong, Stumbo, Todd, Turner, Walker, White, Will, Worthington, Yates. Nays 5—Bronger, Guenthner, Heleringer, LeMaster, Overstreet.

The motion to adjourn was adopted.

TUESDAY, DECEMBER 6, 1988

SEVENTH LEGISLATIVE DAY

The House was called to order by Speaker Blandford.

Prayer by Reverend K. L. Moore, First Baptist Church, Frankfort, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Deskins, Geveden and R. Jones.

Representative McElroy moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative McElroy moved that the reading of the Journal of December 5, 1988 be dispensed with and the same approved. Agreed.

Representative White moved the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 18, by Representative White: A RESOLUTION honoring the Knox Central Dance Cats from Barbourville, Kentucky.

Representative White moved the adoption of the following **HR 18**:

HR 18, A RESOLUTION honoring the Knox Central Dance Cats from Barbourville, Kentucky.

WHEREAS, the Knox Central Dance Cats won the 1988 National Cheerleading Association-National Pom Pom Championship in Baltimore, Maryland; and

WHEREAS, the Knox Central Dance Cats will be competing in February, 1989, in Orlando, Florida for the Universal Dance Cats Title; and

WHEREAS, the competition in Orlando, Florida will be nationally televised on ESPN;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives is proud to honor and commend the Knox Central Dance Cats for winning the 1988 National Cheerleading Association-National Pom Pom Championship.

Section 2. That this honorable body hails sponsors Mrs. Brenda Duricko and Miss Teresa Mills and Dance Cat members Mary Jane McWilliams, Donna Shields, Melissa Mills, Amy King, Dawn Lane, Lori Mitchell, Teresa Grubb, Krista Carnes, Kim Blevins, Jennifer Blevins, Angie Brown, Cassie Schononberger, Missy Lowe, Tabitha Carnes, Gynger Chestnut, Lisa Merida, Robin Grubb, Erin McDonald, Mindy Moore and Patti Crabtree for their outstanding performance.

Section 3. That when the House of Representatives adjourns this day, December 6, 1988, it does so in honor of the Knox Central Dance Cats.

Section 4. That the Clerk of the House is directed to transmit a copy of this resolution to Mrs. Brenda Duricko, Knox Central High School, Barbourville, Kentucky.

HR 18 was adopted by voice vote.

Representative White moved the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 19, by Representative White: A RESOLUTION honoring Mary Jane McWilliams a member of the Knox Central Dance Cats.

Representative White moved the adoption of the following **HR 19**:

HR 19, A RESOLUTION honoring Mary Jane McWilliams a member of the Knox Central Dance Cats.

WHEREAS, Mary Jane McWilliams of Barbourville, Kentucky was chosen Universal Dance Cat Superstar during the 1988 National Cheerleading Association-National Pom Pom Championship in Baltimore, Maryland; and

WHEREAS, Mary Jane McWilliams will be performing in the Lord Mayor of West Minster New Year's Day Parade in London, England, representing the Commonwealth of Kentucky; and

WHEREAS, Prime Minister Margaret Thatcher and royalty of England will be attending the Lord Mayor of West Minster New Year's Day Parade; and

WHEREAS, Cable Network News (CNN) will be televising this grand event;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives salutes Mary Jane McWilliams as she embarks on her journey to London, England, on December 26, 1988, and assures her that it shares her excitement and pride.

Section 2. That when the House of Representatives adjourns this day, December 6, 1988, it does so in honor of Mary Jane McWilliams.

Section 3. That the Clerk of the House of Representatives is directed to transmit a copy of this resolution to Mary Jane McWilliams, c/o Mrs. Brenda Duricko, Knox Central High School, Barbourvile, Kentucky.

HR 19 was adopted by voice vote.

Introduction of Bills and Resolutions

HR 14, by Representatives K. Harper, Allen, Noland, Reinhardt, Turner, Altman, Todd, Walker, Freibert, Northup, Siler, Napier, J. Harper, Lefevers, Strong, Keith, Casebier, Ackerson, Overstreet, Heleringer and Layman: A RESOLUTION honoring State Representative Mae Hoover.

HR 15, by Representatives K. Harper, Allen, Noland, Ford, Reinhardt, Turner, Altman, Todd, Walker, Freibert, Northup, Siler, Napier, J. Harper, Lefevers, Strong, Keith, Casebier, Ackerson, Overstreet, Heleringer and Layman: A RESOLUTION honoring State Representative Albert Robinson.

HR 16, by Representatives K. Harper, Allen, Lile, Casebier, Noland, Reinhardt, Turner, Altman, Todd, Walker, Ford, Freibert, Northup, Siler, Napier, J. Harper, Strong, Keith, Ackerson, Overstreet, Heleringer, Lefevers and Layman: A RESOLUTION honoring State Representative Jack Will.

HR 17, by Representatives K. Harper, Reinhardt, Allen, Lile, Casebier, Noland, Turner, Todd, Altman, Walker, Freibert, Northup, Siler, Napier, J. Harper, Lefevers, Strong, Keith, Ackerson, Overstreet, Heleringer and Layman: A RESOLUTION honoring State Representative J. Brown.

HR 20, by Representatives L. Clark, M. Brown, Priddy, Kerr, Callahan, Mason, Adkins, Robinson, Turner, Farrow, Long, Siler, Jackson, Blandford, Ark, Burch, Bronger, J. Brown, Will, P. Clark, Handy, A. Jones, Yates, Blevins, Curd, Castleman, Ridley and Ballard: A RESOLUTION honoring Representative J. R. Gray.

HR 21, by Representative Overstreet: A RESOLUTION adjourning the House of Representatives in memory and honor of Mr. Roger F.Tarter of Dunnville, Kentucky.

Orders of the Day

HB 6, with Committee Substitute and Committee Amendment attached thereto, taken from the Orders of the Day and ordered read at length for the third time. Representative Stumbo moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Clarke moved the adoption of the Committee Substitute to **HB 6**. Agreed.

Representative Clarke moved that **HB 6**, by way of Committee Substitute, be passed.

On the roll call the vote was: Yeas 95, Nays 0. (See December 6, 1988 roll call on **HB 6** - Appendix A.)

HB 6, by way of Committee Substitute amended, was passed.

Representative Clarke moved the adoption of the Committee Title Amendment to **HB 6**. Agreed; and the title was agreed to.

HB 5, with Committee Substitute, Committee Amendment and Floor Amendment attached thereto, taken from the Orders of the Day and ordered read at length for the third time. Representative Stumbo moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Hancock moved the adoption of the Committee Substitute to **HB 5**. Agreed.

Representative Siler moved the adoption of Floor Amendment No. 1 to the Committee Substitute to **HB 5**. Agreed.

Representative Hancock moved that **HB 5**, by way of Committee Substitute as amended, be passed.

On the roll call the vote was: Yeas 97, Nays 0. (See December 6, 1988 roll call on **HB 5** - Appendix A.)

HB 5, by way of Committee Substitute as amended, was passed.

Representative Hancock moved the adoption of the Committee Title Amendment to **HB 5**. Agreed; and the title was agreed to.

Representative Hancock moved that the vote by which **HB 5**, by way of Committee Substitute as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Motions, Petitions and Communications

Representative Barrows moved the rules be suspended to act upon a Legislative Citation. Agreed.

Representative Barrows moved the adoption of Legislative Citation No. 5. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby honors and commends Joey Douglass, Director of Human Resources, Malone and Hyde, Inc., for her commitment to excellence on the job. She exemplifies professional dedication to her employer and to her fellow workers. While efficiently and

effectively performing her duties, she is constantly concerned with assisting her colleagues to excel at their careers and to enjoy safe and pleasant working conditions.

Joey Douglass is a source of pride to her profession, her employer, and the Commonwealth.

This prestigious body joins Representative Joe Barrows in applauding Joey for a job well done. (Sponsored by Representative Barrows)

Representative Overstreet moved the rules be suspended to act upon a Resolution. Agreed.

Representative Overstreet moved the adoption of the following **HR 21**:

HR 21, A RESOLUTION adjourning the House of Representatives in memory and honor of Mr. Roger F. Tarter of Dunnville, Kentucky.

With heavy hearts we pay homage and tribute to our departed friend, Roger Tarter.

WHEREAS, Roger F. Tarter unexpectedly crossed that final bourne from which no traveller returns last night at the young age of 66; and

WHEREAS, a leading citizen of the Dunnville community for fifty years, Roger F. Tarter was the founder of Tartergate Company, manufacturers of steel and wooden farm gates which have been sold throughout the United States; and

WHEREAS, the Tartergate Company is a major employer in this small community — with 250 employes it serves as a vital support for the local economic base; and

WHEREAS, Roger Tarter was a loving and devoted father to his sons David and Donald; and

WHEREAS, Roger Tarter was a benevolent and compassionate individual, always concerned about the needs of others and generously giving to more unfortunate individuals in the community; and

WHEREAS, Roger Tarter proudly served his country in the United States Army during World War II; and

WHEREAS, Roger F. Tarter was an outstanding Kentuckian and exemplary representative of the Commonwealth whose absence shall be felt for many years to come by his family and friends;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this august body does hereby express its profound sense of bereavement and loss upon the untimely passing of Roger Tarter.

Section 2. That the members of the House do hereby commend the family of Roger Tarter to the solace of the Almighty to endure these dark and painful hours and to draw strength to face the many difficult days ahead.

Section 3. That when the House of Representatives of the General Assembly of the Commonwealth of Kentucky does adjourn this day, Tuesday, December 6, 1988, it does so in memory and honor of Roger F. Tarter.

Section 4. That the Clerk of the House is hereby directed to transmit a copy of this resolution to David and Donald Tarter, Tartergate Company, Dunnville, Kentucky.

HR 21 was adopted by voice vote.

Representative K. Harper moved the rules be suspended to act upon Resolutions. Agreed.

Representative K. Harper moved the adoption of the following **HR 14**:

HR 14, A RESOLUTION honoring State Representative Mae Hoover.

WHEREAS, Representative Mae Hoover was elected to this body to complete the term of her late husband the Honorable Welby Hoover; and

WHEREAS, Representative Hoover championed the causes of rural Kentucky during her tenure in the General Assembly; and

WHEREAS, although Representative Hoover is retiring from the legislature, we remain confident that she will continue her active career in public service through other venues; and

WHEREAS, Representative Hoover will be leaving this honorable body at the end of this month;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of this body recognize Mae Hoover for her contributions to the people of Kentucky through her work in the General Assembly.

Section 2. That we wish Representative Hoover every success in all her future endeavors.

HR 14 was adopted by voice vote.

Representative K. Harper moved the adoption of the following **HR 15**:

HR 15, A RESOLUTION honoring State Representative Albert Robinson.

WHEREAS, for fifteen years Albert Robinson has represented Laurel County in the Kentucky General Assembly; and

WHEREAS, during his tenure in the legislature, Representative Robinson tirelessly fought for the principles in which he believed; and

WHEREAS, Representative Robinson's dedicated service to the people of his district and the Commonwealth will long be remembered for the benefits he bequeathed; and

WHEREAS, Representative Robinson will be leaving this honorable body at the end of this month;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of this body recognize Albert Robinson for his contributions to the people of Kentucky through his work in the General Assembly.

Section 2. That we wish Representative Robinson every success in all his future endeavors.

HR 15 was adopted by voice vote.

Representative K. Harper moved the adoption of the following **HR 16**:

HR 16, A RESOLUTION honoring State Representative Jack Will.

WHEREAS, Jack Will, as a freshman representative was able to serve his district with the political savy and ability of a seasoned legislative veteran; and

WHEREAS, Representative Will, during his legislative tenure, was appointed to the important legislative committees of Energy, Labor and Industry, and the Task Force on Veterans Affairs; and

WHEREAS, Representative Will's sojourn with the General Assembly has produced significant benefits for the state and his district that belie his short stay in this body; and

WHEREAS, Representative Will will be leaving this honorable body at the end of this month;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of this body recognize Jack Will for his contributions to the people of Kentucky through his work in the General Assembly.

Section 2. That we wish Representative Will every success in all his future endeavors.

HR 16 was adopted by voice vote.

Representative K. Harper moved the adoption of the following **HR 17**:

HR 17, A RESOLUTION honoring State Representative Jimmy Brown.

WHEREAS, Representative Jimmy Brown overcame a tremendous political disadvantage to be the first member of his party to be elected state representative from the fifteenth legislative district in over one hundred years; and

WHEREAS, Representative Brown has served his constitutents and the interest of his district in an exemplary and dedicated fashion; and

WHEREAS, Representative Brown served on the legislative committees of Agriculture and Natural Resources, and Labor and Industry, which are of vital importance to the economy of his area as well as the special committee on Commerce, Energy and Natural Resources of Senate Joint Resolution 83; and

WHEREAS, Representative Brown will be leaving this honorable body at the end of this month;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of this body hereby recognize Jimmy Brown for his contributions to the people of Kentucky through his work in the General Assembly.

Section 2. That we wish Representative Jimmy Brown every success in all his future endeavors.

HR 17 was adopted by voice vote.

Representative L. Clark moved the rules be suspended to act upon a Resolution. Agreed.

Representative L. Clark moved the adoption of the following **HR 20**:

HR 20, A RESOLUTION honoring Representative J. R. Gray.

WHEREAS, Representative Gray is leaving the General Assembly after thirteen years of devoted service; and

WHEREAS, Representative Gray has represented all of his constituents faithfully and with great integrity and has personally assisted many of his constituents with a myriad of concerns and interests; and

WHEREAS, Representative Gray has worked closely and compatibly with the local elected officials in the Commonwealth; and

WHEREAS, Representative Gray has vigorously supported economic development efforts and the promotion of tourism in the Commonwealth; and

WHEREAS, during his tenure in the General Assembly and, indeed, throughout his entire adult life, Representative Gray has been the single most outspoken champion of the rights of employes in the Commonwealth without jeopardizing legitimate employer concerns; and

WHEREAS, Representative Gray has worked tirelessly to protect and promote the rights and interests of all employes regardless of whether such employes were afforded the benefits of collective bargaining; and

WHEREAS, Representative Gray has served as chairman of the House Labor and Industry Committee for two terms and as a member for thirteen years; and

WHEREAS, Representative Gray, while serving as chairman of the House Labor and Industry Committee in 1980, 1982 and 1987, gained the admiration and respect of his fellow committee members for the competence and fairness he displayed while presiding over major revisions in the unemployment insurance and workers' compensation laws in the Commonwealth; and

WHEREAS, Representative Gray, as chairman of the House Labor and Industry Committee, chaired numerous public hearings and sponsored major legislation which restored the unemployment insurance trust fund to solvency; and

WHEREAS, Representative Gray's expertise and contributions to the legislative process will be sorely missed by his colleagues in the House of Representatives;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the gratitude of this honorable body and its best wishes for continued success be extended to Representative J. R. Gray in his chosen fields of endeavor.

Section 2. That the House of Representatives adjourn this day, Tuesday, December 6, 1988, in honor of Representative J. R. Gray.

Section 3. That a copy of this resolution be delivered to Representative J. R. Gray and his family.

HR 20 was adopted by voice vote.

Representative Cline moved the rules be suspended for the purpose of making a motion concerning co-sponsors. Agreed.

Representative Cline moved that all properly filed co-sponsor requests be approved. Agreed.

The following members filed requests to have their names added as co-sponsors of Bills and Resolutions:

HB 5, Representatives Adkins, Barrows, Bronger, Bruce, Casebier, P. Clark, Ford, Gray, Guenthner, Johnson, T. Jones, Lefevers, Noe, Riner, Robinson, Scorsone, Strong, Stumbo, White.

HR 5, Representative Gedling; **HR 8**, Representative Freibert; **HR 10**, Representative Strong; **HR 12**, Representatives Keith, Noe; **HR 14**, Representative Preston; **HR 15**, Representative Preston; **HR 16**, Representative Preston; **HR 17**, Representative Preston.

Representative Stumbo moved that when the House adjourns, it do do so by voice vote. Agreed.

Representative Stumbo moved that when the House adjourns, it do so until the hour of 2:00 p.m., Wednesday, December 7, 1988. Agreed.

Representative Stumbo moved that the rules be suspended to allow the Committee on State Government to meet during recess to take action on **HB 1**. Agreed.

Representative Stumbo moved that no further business be conducted on this day except Report of Committees and first readings. Agreed.

Recess

Representative Stumbo moved that the House recess until the hour of 6:00 p.m. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Report of Committees

The Committee on State Government reported **HB 1**, with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 1, AN ACT creating a state lottery, making an appropriation therefor, and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

As used in this Act unless the context requires otherwise:

(1) "Corporation" means the Kentucky lottery corporation;

(2) "Lottery" means any game of chance approved by the corporation and operated pursuant to this Act;

(3) "Marginal cost/marginal revenue" means that the revenues to the corporation must exceed its variable costs associated with the generation of that revenue;

(4) "Major procurement" means any gaming product or service including, but not limited to, facilities, advertising and promotional services, annuity contracts, prize payment agreements, consulting services, equipment, tickets and other products and services unique to the Kentucky lottery, but not including materials, supplies, equipment and services common to the ordinary operations of a corporation;

(5) "President" means the president of the Kentucky lottery corporation who shall also serve as chairman of the board of directors and chief executive officer of the corporation;

(6) "Retailer" means any person with whom the Kentucky lottery has contracted to sell lottery tickets or shares, or both, to the public; and

(7) "Vendor" means any person who has entered into a major procurement contract with the Kentucky lottery.

SECTION 2. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) There is hereby created and established an independent, de jure municipal corporation and political subdivision of the Commonwealth of Kentucky which shall be a public body corporate and politic to be known as the Kentucky lottery corporation. This corporation shall be managed in such a manner that enables the people of the Commonwealth to benefit from additional moneys for early childhood education and development and senior citizens programs (and in the first year of operations to pay a bonus to Vietnam era veterans) and to enjoy the best possible lottery games. It is the intent of the general assembly that the lottery proceeds should be additions to, not substitutions for, existing resources for early childhood and senior citizens programs. The general assembly hereby recognizes that the operations of a lottery are unique activities for state government and that a corporate structure will best enable the lottery to be managed in an entrepreneurial and business-like manner. It is also the intent of the general assembly that the lottery shall be accountable to the governor, the general assembly and the people of the Commonwealth through a system of audits, reports and thorough financial disclosure as required by this Act.

SECTION 3. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The affairs of the corporation shall be administered by a board of directors composed of eight (8) members, including the attorney general, the state treasurer, and a chairman and five (5) members appointed by the governor. Members appointed by the governor, other than the chairman, shall be residents of the Commonwealth of Kentucky and serve a term of four (4) years, except that of the initial members appointed, two (2) shall be appointed for two (2) years, two (2) shall be appointed for three (3) years and one (1) shall be appointed for four (4) years. No member shall serve more than two (2) consecutive terms. The president of the corporation shall be the chairman of the board and shall serve at the pleasure of the governor. Members shall remain in office until they are reappointed or until their successors are appointed and qualified. No more than three (3) of the members appointed by the governor may be from the same political party. Members may be removed by the governor for neglect of duty, misfeasance, or nonfeasance in office.

(2) Members of the board of directors shall not have any direct or indirect interest in an undertaking that puts their personal interest in conflict with that of the corporation. If a member determines that a conflict exists, such conflict shall be disclosed to the chairman in writing and the member shall abstain from participating in any decision dealing with the undertaking in which he has an interest.

(3) Appointed members of the board of directors, except the chairman, shall be entitled to five thousand dollars ($5,000) per year as remuneration for serving on the board and all members may be reimbursed for necessary travel and other reasonable expenses incurred in the performance of their official duties. Compensation of the chairman shall be determined by the governor and shall be exempt from the provisions of KRS 64.640.

(4) The board, upon call of the chairman, shall meet at least monthly for the first eighteen (18) months and bi-monthly thereafter and at such other times as the chairman may determine. Five (5) members of the board shall constitute a quorum. The board shall keep accurate and complete records of all its meetings.

SECTION 4. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

The board, by rule, may specify information and records in its possession that are to be held confidential and exempt from KRS 61.805 to 61.850 and 61.870 to 61.884. Such information shall be limited to trade secrets, information obtained pursuant to background investigations of current or potential employes, retailers, or vendors, and other information found by the corporation to be necessary to the security or integrity of the lottery or its retailers.

SECTION 5. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The board of directors shall serve as a resource for the corporation and to provide the president with private-sector perspectives on the operation of a large marketing enterprise. The board shall:

(a) Approve a budget recommended by the president for the operation of the corporation;

(b) Approve major lottery procurements recommended by the president;

(c) Serve as a board of appeal for any denial, revocation or cancellation by the president of a contract with a lottery retailer; and

(d) Adopt from time to time such rules, which shall be exempt from the provisions of KRS Chapter 13A, as may be necessary to carry out and implement its powers and duties, the operation of the corporation, the conduct of the lottery games, and any other matters necessary or desirable for the efficient and effective operation of the lottery or convenience of the public, including but not limited to rules specifying:

1. The types of games to be conducted, including but not limited to, instant lotteries, on-line and traditional games;

2. The sale price of tickets;

3. The number and amount of prizes;

4. The method and location of selecting or validating winning tickets;

5. The frequency and the means of conducting drawings which shall be open to the public;

6. The manner of payment of prizes;

7. The frequency of games and drawings;

8. The manner and amount of compensation to lottery retailers; and

9. Any other matters necessary or desirable for the efficient and effective operation of the lottery or for the convenience of the public.

(2) In all other matters, the board shall advise and make recommendations, but shall have no power to veto administrative decisions of the president. However, the board may:

(a) Conduct hearings upon complaints charging violations of this Act or of rules adopted by the corporation and may conduct such other hearings as may be provided by rule;

(b) Review the performance of the corporation and:

(1) Advise the president and make recommendations to him regarding operations of the corporation; and

2. Identify potential improvements in this Act, the rules of the corporation, and the management of the corporation;

(c) Request from the corporation any information the board determines to be relevant to its duties; and

(d) Report to the president of the corporation, the governor, the president of the senate, and the speaker of the house of representatives regarding its findings and recommendations.

SECTION 6. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The corporation shall conduct and administer lottery games which will result in maximization of revenues to the Commonwealth of Kentucky while at the same time provide entertainment to its citizens. It shall be the duty of the corporation, its employes and the members of the board to provide for the effective operation of lottery games which insure the integrity of the lottery and maintain the dignity of the Commonwealth and the general welfare of its citizens. The corporation, in pursuit of the attainment of the objectives and the purposes of this Act, may:

(a) Sue and be sued in its corporate name;

(b) Adopt a corporate seal and a symbol;

(c) Hold copyrights, trademarks, and service marks and enforce its rights with respect thereto;

(d) Enter into written agreements with one (1) or more other states for the operation, marketing and promotion of a joint lottery or joint lottery games;

(e) Acquire real property and make improvements thereon. Such acquisitions shall be reported to the capital project and bond oversight committee; and

(f) Make, execute and effectuate any and all agreements or contracts including:

1. Contracts for the purchase of such goods and services as are necessary for the operation and promotion of the state lottery; and

2. Contracts to incur debt in its own name and enter into financing agreements with the Commonwealth, its own agencies, or with a commercial bank.

(2) The corporation shall:

(a) Supervise and administer the lottery in accordance with the provisions of this Act and the rules adopted by the board;

(b) Submit monthly and annual reports to the governor, the president of the senate, and the speaker of the house of representatives containing financial statements which include, but are not limited to, disclosure of gross revenues, expenses, and net proceeds for the period;

(c) Adopt by rule a system of continuous internal audits, audits by the auditor of public accounts and an annual certified audit by an outside auditing firm;

(d) Maintain weekly or more frequent records of lottery transactions, including distribution of tickets to lottery retailers, revenues received, claims for prizes, prizes paid, and all other financial transactions of the corporation; and

(e) Adopt by rule a code of ethics for officers and employes of the corporation to carry out the standards of conduct established by the provisions of this Act.

SECTION 7. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The president, as chief executive officer of the corporation, shall direct and supervise all administrative and technical activities in accordance with the provisions of this Act and with the rules adopted by the board. It shall be his duty to:

(a) Supervise and administer the operation of the lottery games;

(b) Employ and direct such personnel as may be necessary to carry out the purposes of this Act and utilize such services, personnel or facilities of the corporation as he may deem necessary. He may employ and compensate such consultants and technical assistants as may be required to carry out the provisions of this Act. The president may, by agreement, secure information and services as he may deem necessary from any department, agency, or unit of state government, and shall compensate such department, agency or unit of state government for its services. Such agencies, departments or units of state government shall cooperate with the corporation and provide such information and services as may be required by the corporation to assure the integrity of the lottery and the effective operation of the lottery games;

(c) Contract in accordance with the rules of the corporation with persons to sell lottery tickets at retail who in his opinion will best serve the public convenience and promote the sale of tickets or shares. The president

may require a bond from every retail agent in such amount as provided by this Act and by the rules of the board;

(d) Make available for inspection by the board or any member of the board, upon request, all books, records, files, and other information and documents of his office and to advise the board and recommend such rules and other matters he deems necessary and advisable to improve the operation and administration of the lottery;

(e) Enter into any contract with any person, firm or corporation for the promotion and operation of the lottery or any part thereof, for the performance of any of the functions as in this Act or rules adopted by the board; and

(f) Attend meetings of the board or appoint a designee to attend on his behalf.

(2) The president, in conjunction with the board, shall conduct an ongoing study of the operation and administration of lotteries in other states or countries, of available literature on the subject, of federal laws and regulations which may affect the operation of the lottery and of the reaction of citizens of this state to existing or proposed features of lottery games, with a view toward implementing improvements that will tend to serve the purposes of this Act.

(3) The president also may:

(a) Require bond from corporate employes with access to corporate funds or lottery funds, in such an amount as provided in the rules of the board. The president may also require bond from other employes as he deems necessary; and

(b) Suspend, revoke or refuse to renew any contract entered into in accordance with the provision of this Act or the rules of the board.

SECTION 8. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The corporation shall establish and maintain a personnel program for its employes. The corporation may procure benefit programs or group insurance plans and shall provide a retirement plan. Employes of the corporation shall serve at the pleasure of the president who shall determine their compensation and benefits. The employes shall be subject to suspension, dismissal, reduction in pay, demotion, transfer, or other personnel action at the discretion of the president. Such personnel actions shall be exempt from the provisions of KRS Chapter 18A. The compensation of officers at the division head level and above shall be exempt from the provisions of KRS 64.640.

(2) No officer or employe of the corporation shall have a financial interest in any vendor doing business or proposing to do business with the corporation.

(3) No officer or employe of the corporation with decision-making authority may participate in any decision involving a retailer with whom the officer or employe has a financial interest.

(4) No officer or employe of the corporation who leaves the employ of the corporation may represent any vendor or lottery retailer before the corporation regarding any specific matter in which the officer or employe was involved while employed by the corporation for a period of two (2) years following termination of employment with the corporation.

(5) A background investigation shall be conducted by the chief security officer of the corporation on every applicant prior to employment by the corporation. Applicants may be fingerprinted as a condition of employment. In addition, all division directors of the corporation and employes of the corporation performing duties primarily related to security matters prior to employment shall be subject to a background investigation report conducted by the Kentucky state police. The Kentucky state police shall be reimbursed by the corporation for the cost of investigations conducted pursuant to this section. No person who has been convicted of a felony, bookmaking or other forms of illegal gambling, or of a crime involving moral turpitude shall be employed by the corporation.

SECTION 9. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The general assembly hereby recognizes that to conduct a successful lottery the corporation must have a solid cadre of retail outlets and therefore, prohibits the granting of any exclusive territories to prospective retailers of instant tickets. Lottery retailers shall be chosen based on business considerations and in a matter that serves the public convenience and best promotes the sale of tickets or shares without regard to the retailers political affiliation. In the selection of lottery retailers, such factors as financial responsibility, security of the applicant's place of business or activity, integrity, reputation, volume of expected sales and other such factors shall be considered. Persons lawfully engaged in nongovernmental business on state property may be selected as lottery retailers. The selection of on-line retailers shall be made strictly on a marginal cost/marginal revenue basis to maximize the profits of the corporation and revenues to the Commonwealth.

(2) Persons applying to become lottery retailers may be charged an application fee.

(3) All lottery retailer contracts awarded by the corporation under this Act shall be renewable annually after issuance unless sooner cancelled or terminated.

(4) No lottery retailer contract awarded under this Act shall be transferrable or assignable.

(5) Each lottery retailer shall be issued a lottery retailer certificate which shall be conspicuously displayed at the place where the lottery retailer is authorized to sell lottery tickets or shares.

(6) Lottery tickets or shares shall only be sold by the lottery retailer at the location stated on the lottery retailer certificate.

(7) No lottery retailer may contract with any person for lottery goods or services except those approved by the corporation.

(8) To be selected as a lottery retailer, a natural person acting as a sole proprietor must:

(a) Be at least eighteen (18) years of age;

(b) Have sufficient financial resources to support the activities required to sell lottery tickets or shares;

(c) Be current in payment of all taxes, interest and penalties owed to any taxing subdivision where the lottery retailer will sell lottery tickets or shares;

(d) Be current in filing all applicable tax returns and in payment of all taxes, interest and penalities owed to the Commonwealth of Kentucky, excluding items under formal appeal pursuant to applicable statutes; and

(e) Not be engaged exclusively in the sale of lottery tickets and shares, however, this paragraph does not preclude the corporation from contracting for the sale of lottery tickets with nonprofit, charitable organizations or units of local government in accordance with the provisions of this Act.

(9) No natural person shall be selected as a lottery retailer who:

(a) Has been convicted of a felony in this or any other jurisdiction, unless at least ten (10) years have passed since satisfactory completion of the sentence or probation imposed by the court for each felony;

(b) Has been convicted of any illegal gambling activity in this or any other jurisdiction;

(c) Has been found to have violated the provisions of this Act or any rule adopted hereunder;

(d) Is a vendor or an employe or agent of any vendor doing business with the corporation;

(e) Resides in the same household of an officer of the corporation; or

(f) Has made a statement of material fact to the corporation, knowing such statement to be false.

(10) For a partnership to be selected as a lottery retailer, the partnership must meet the requirements of subsections (8)(b), (8)(c), (8)(d), and (8)(e) and each partner must meet the requirements of subsections (8)(a), (8)(c), (8)(d) and (9)(a) through (9)(f).

(11) For a corporation to be selected as a lottery retailer, the corporation must meet the requirements of subsections (8)(b), (8)(c), (8)(d), and (8)(e) and each officer or director and each stockholder who owns five percent (5%) or more the the stock of such corporation must meet the requirements of subsections (8)(c), (8)(d) and (9)(a) through (9)(f).

(12) For an unincorporated association to be selected as a lottery retailer, the association must meet the requirements of subsections (8)(b), (8)(c), (8)(d) and (8)(e) and each officer or director must meet the requirements of subsections (8)(a), (8)(c), (8)(d) and (9)(a) through (9)(f).

(13) For the convenience of the public, all retailers may be authorized to pay winners up to six hundred dollars ($600) after the retailer performs validation procedures appropriate to the lottery game involved.

SECTION 10. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The corporation may require each retailer to post a letter of credit or a bond with the corporation using a surety acceptable to the corporation in an amount not to exceed twice the average lottery ticket sales of the retailer for the period within which the retailer is required to remit lottery funds to the corporation. For the first ninety (90) days of sales of a new retailer, the amount of the bond may not exceed twice the average estimated lottery ticket sales for the period within which the retailer is required to remit lottery funds to the corporation. This section does not apply to lottery tickets which are prepaid by the retailers.

(2) Any contract executed by the corporation pursuant to this section shall specify the reasons for which any contract may be suspended or terminated by the corporation, including, but not limited to:

(a) Commission of a violation of this Act or rule adopted pursuant thereto;

(b) Failure to accurately account for lottery tickets, revenues, or prizes as required by the corporation;

(c) Commission of any fraud, deceit, or misrepresentation;

(d) Insufficient sale of tickets;

(e) Conduct prejudicial to public confidence in the lottery; or

(f) Any material change in any matter considered by the corporation in executing the contract with the retailer.

(3) If, in the discretion of the president, such denial, revocation, suspension or rejection of renewal is in the best interests of the lottery, the public welfare, or the Commonwealth of Kentucky, the president may suspend, revoke, or refuse to renew, after notice and a hearing, any contract issued pursuant to this Act. Such contract may, however, be temporarily suspended by the president without prior notice, pending any prosecution, hearing or investigation, whether by a third party or by the president. A contract may be suspended, revoked or refused to be renewed by the president for one (1) or more of the following reasons:

(a) Failure to properly account for lottery tickets received or the proceeds of the sale of lottery tickets;

(b) Failure to file a bond if required by the president or to comply with instructions and rules of the corporation concerning the licensed activity, especially with regard to the prompt payment of claims;

(c) Failure to meet any of the standards set out in subsections (8) or (9) of Section 9 of this Act;

(d) Failure to file any return or report, to keep records or to pay any fees or other charges required by the Act;

(e) Any act of fraud, deceit, misrepresentation or conduct prejudicial to public confidence in the lottery;

(f) If the number of lottery tickets sold by the lottery retailer is insufficient to meet administrative costs and public convenience is adequately served by another lottery retailer; or

(g) A material change, since awarding the contract, with respect to any matters required to be considered by the president under this Act.

SECTION 11. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) All proceeds from the sale of lottery tickets or shares received by a person in the capacity of a lottery retailer shall constitute a trust fund until paid to the corporation either directly, or through the corporation's authorized collection representative. Proceeds shall include unsold instant tickets received by a lottery retailer and cash proceeds of sale of any lottery products, net of allowable sales commissions and credit for lottery prizes paid to winners by lottery retailers. Sales proceeds and unused instant tickets shall be delivered to the corporation or its authorized collection representative upon demand. The corporation may require retailers to establish separate electronic funds transfer accounts for the purpose of receiving moneys from ticket sales, making payments to the corporation, and receiving payments from the corporation. Lottery retailers shall be personally liable for all proceeds which shall be kept separate and apart from all other funds and assets and shall not be commingled with any other funds or assets. This section shall apply to all lottery tickets or shares generated by computer terminal, other electronic device, and any other tickets delivered to lottery retailers.

(2) Whenever any person who receives proceeds from the sale of lottery tickets in the capacity of a lottery retailer becomes insolvent, or dies insolvent, the proceeds due the corporation from such person or his estate shall have preference over all debts or demands, except as follows:

(a) Amounts due for necessary funeral expenses;

(b) Amounts due for medical care and medicine during his most recent illness preceding death;

(c) Debts due to the United States;

(d) Debts due to the Commonwealth of Kentucky and all state and local taxes; and

(e) Wages for labor performed within the six (6) months preceding the death of such deceased person, not exceeding one thousand dollars ($1,000) due to another person and provided further that such proceeds shall be nondischargeable in insolvency proceedings instituted pursuant to Chapter 7, Chapter 11, or Chapter 13 of the Federal Bankruptcy Act.

SECTION 12. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) If a lottery retailer's rental payments for the business premises are contractually computed, in whole or in part, on the basis of a percentage of retail sales, and such computation of retail sales is not explicitly defined to include sales of tickets or shares in a state-operated lottery, the compensation received by the lottery retailer from the lottery shall be considered the amount of the retail sale for purposes of computing the rental payment.

SECTION 13. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) No person shall sell a ticket at a price other than that established by the corporation unless authorized in writing by the president. No person other than a duly certified lottery retailer may sell lottery tickets except that nothing in this section shall be construed to prevent a person who may lawfully purchase tickets from making a gift of lottery tickets to another. Nothing in this section shall be construed to prohibit the corporation from designating certain of its agents and employes to sell lottery tickets directly to the public.

(2) Lottery tickets may be given by merchants as a means of promoting goods or services to customers or prospective customers subject to approval by the corporation.

(3) No lottery retailer shall sell a ticket away from the locations listed in his contract.

SECTION 14. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) Proceeds of lottery prizes up to and including one million dollars ($1,000,000) shall not be subject to Kentucky state income tax. Prizes in excess of one million dollars ($1,000,000) shall be subject to Kentucky income tax, however, if such winner has delinquent Kentucky income taxes or child support payments ordered by a court of law, such delinquent amounts shall be deducted from the winnings.

(2) The board shall adopt rules to establish a system of verifying the validity of tickets claimed to win prizes and to effect payment of such prizes, except that:

(a) No prize, nor any portion of a prize, nor any right of any person to a prize awarded shall be assignable. Any prize, or portion thereof, remaining unpaid at the death of a prize winner may be paid to the estate of such deceased prize winner or to the trustee under a revocable living trust established by the deceased prize winner as settlor, provided that a copy of such a trust has been filed with the corporation along with a notarized letter of direction from the settlor and no written notice of revocation has been received by the corporation prior to the settlor's death. Following such a settlor's death and prior to any payment to such a successor trustee, the corporation shall obtain from the trustee and each trust beneficiary a written agreement to indemnify and hold the corporation harmless with respect to any claims that may be asserted against the corporation arising from payment to or through the trust. Not withstanding any other provisions of this section, any person, pursuant to an appropriate judicial order, may be paid the prize to which a winner is entitled.

(b) No ticket or share shall be sold to any person under the age of eighteen (18), but this section does not prohibit the purchase of a ticket by a person eighteen (18) years of age or older for the purpose of making a gift to any person of any age. In such case, the corporation shall direct payment to an adult member of the person's family or the legal guardian of the person on behalf of such person. The person named as custodian shall have the same powers and duties as prescribed for a custodian pursuant to the uniform transfers to minors act.

(c) No prize may be paid arising from claimed tickets that are stolen, counterfeit, altered, fraudulent, unissued, produced or issued in error, unreadable, not received or not recorded by the corporation within applicable deadlines, lacking in captions that conform and agree with the play symbols as appropriate to the lottery game involved, or not in compliance with such additional specific rules and public or confidential validation and security tests of the corporation appropriate to the particular lottery game involved.

(d) No particular prize in any lottery game may be paid more than once, and in the event of a binding determination that more than one claimant is entitled to a particular prize, the sole remedy of such claimants is the award to each of them of an equal share in the prize.

(e) A holder of a winning cash ticket or share may claim a prize within three hundred sixty five (365) days after the drawing in which the prize was won. In any game in which the player may determine instantly if he has won or lost, he must claim a prize within three hundred sixty five (365) days after the end of the lottery game. If a valid claim is not made for a prize within the applicable period, the prize shall constitute an unclaimed prize for purposes of subsection (3) of this section.

(f) No prizes may be paid upon a ticket purchased or sold in violation of this Act or to any person who is prohibited from purchasing a lottery ticket. Any such prize shall constitute an unclaimed prize for purposes of subsection (3) of this section.

(3) Any unclaimed prize money shall be added to the pool from which future prizes are to be awarded or used for special prize promotions.

(4) The corporation is discharged of all liability upon payment of a prize.

(5) No ticket or share shall be purchased by and no prize shall be paid to any of the following persons: any member of the board of directors, officers, or employes of the corporation or to any spouse, child, brother, sister or parent residing as a member of the same household in the principal place of abode of any such person.

SECTION 15. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The corporation may purchase, lease, or lease-purchase such goods or services as are necessary for effectuating the purposes of this Act. The corporation may not contract with any person or entity for the total operation and administration of the state lottery, but may make procurements which integrate functions such as lottery game design, supply of goods and services, and advertising. In all procurement decisions, the corporation shall take into account the particularly sensitive nature of the state lottery and shall act to promote and ensure security, honesty, fairness and integrity in the operation and administration of the lottery and the objectives of raising net proceeds for the benefit of the public purpose described in this Act.

(2) The corporation shall investigate the financial responsibility, security, and integrity of any person who submits a bid, proposal or offer as part of a major procurement. At the time of submitting such bid, proposal, or offer to the corporation, the corporation may require the following items:

(a) A disclosure of the vendor's name and address and, as applicable, the name and address of the following:

1. If the vendor is a corporation, the officers, directors, and each stockholder in such corporation; except that, in the case of owners of equity securities of a publicly traded corporation, only the names and addresses of those known to the corporation to own beneficially five percent (5%) or more of such securities need be disclosed;

2. If the vendor is a trust, the trustee and all persons entitled to receive income or benefit from the trust;

3. If the vendor is an association, the members, officers, and directors; and

4. If the vendor is a partnership or joint venture, all of the general partners, limited partners, or joint venturers.

(b) A disclosure of all the states and jurisdictions in which the vendor does business, and the nature of the business for each such state or jurisdiction.

(c) A disclosure of all the states and jurisdictions in which the vendor has contracts to supply gaming goods or services, including, but not limited to, lottery goods and services, and the nature of the goods or services involved for each such state or jurisdiction.

(d) A disclosure of all the states and jurisdictions in which the vendor has applied for, has sought renewal of, has received, has been denied, has pending, or has had revoked a gaming license of any kind, and the disposition of such in each such state or jurisdiction. If any gaming license has been revoked or has not been renewed or any gaming license application has been either denied or is pending and has remained pending for more than six (6) months, all of the facts and circumstances underlying the failure to receive such a license must be disclosed.

(e) A disclosure of the details of any finding of guilt, in a state or federal court, against the vendor for any felony or any other criminal offense other than a traffic violation.

(f) A disclosure of the details of any bankruptcy, insolvency, reorganization, or any pending litigation of the vendor.

(g) Such additional disclosures and information as the corporation may determine to be appropriate for the procurement involved. If the vendor subcontracts any substantial portion of the work to be performed under the contract to a subcontractor, the vendor shall disclose all of the information required by this subsection for the subcontractor as if the subcontractor were itself a vendor.

(3) A contract for a procurement with any vendor subject to subsection (2) of this section who has not complied with the disclosure requirements described in subsection (2) of this section may not be entered into, and any contract with such a vendor is unenforceable. Any contract with a vendor who does not comply with such requirements for periodically updating such disclosures during the tenure of contract as may be specified in such contract may be terminated by the corporation. This subsection and subsection (2) of this section shall be construed broadly and liberally to achieve the ends of full disclosure of all information necessary to allow for a full and complete evaluation by the corporation of the competence, integrity, background and character of vendors for major procurements.

(4) A contract may not be entered into with any vendor who has been found guilty of a felony committed within the preceding ten (10) years, unless the corporation determines that:

(a) The vendor has been pardoned or the vendor's civil rights have been restored;

(b) Subsequent to such findings of guilt the vendor has engaged in the kind of law-abiding commerce and good citizenship that would reflect well upon the integrity of the lottery; or

(c) If the vendor is a firm, association, partnership, trust, corporation or other entity, the vendor has terminated its relationship with the individual whose actions directly contributed to the vendor's guilt.

(5) Each vendor shall, at the execution of the contract with the corporation, post a performance bond or letter of credit from a bank acceptable to the corporation, in an amount equal to the full amount estimated to be paid annually to the vendor under the contract. In lieu of the bond, a vendor may, to assure the faithful performance of its obligations, deposit and maintain with the state treasurer securities that are interest bearing or accruing and that, with the exception of those specified in paragraph (a) or (b) of this subsection, are rated in one of the three (3) highest classifications by an established nationally recognized investment rating service. Securities eligible under this subsection are limited to:

(a) Certificate of deposit issued by solvent banks or savings associations organized and existing under the laws of this state or under the laws of the United States and having their principal place of business in this state;

(b) United States bonds, notes, and bills for which the full faith and credit of the government of the United States is pledged for the payment of principal and interest;

(c) General obligation bonds and notes of any political subdivision of the state; or

(d) Corporate bonds of any corporation that is not an affiliate or subsidiary of the depositor. Such securities must be held in trust and must have at all times a market value at least equal to the full amount estimated to be paid annually to the lottery vendor under contract.

(6) Every contract entered into by the corporation pursuant to this section shall contain a provision for payment of liquidated damages to the corporation for any breach of contract by the vendor.

(7) Each vendor shall be qualified to do business in this state and shall file appropriate tax returns as provided by the laws of this state. All contracts under this section shall be governed by the laws of this state.

(8) Any action of the corporation relating to the selection of vendors and the award, negotiation, or termination of contracts pursuant to this Act shall be exempt from the provisions of KRS Chapters 45 and 45A in accordance with the provisions of Section 16 of this Act.

SECTION 16. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The corporation shall enter into its contracts after competitive negotiation procedures whenever practicable. However, such contract decisions shall be based on providing the corporation with effective and efficient operations. If the corporation finds that by complying with KRS Chapter 45A or any rules adopted under such chapter there would be a conflict with normal private business operations, the corporation may adopt rules providing procurement procedures for any class of procurement, including authority to negotiate a reduced price. Such alternative procedures shall be designed to allow the selection of proposals that provide the greatest long term benefit to the state, the greatest integrity for the corporation, and the best service and products, for the public.

SECTION 17. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The Kentucky state police shall, at the request of the division of security, perform full criminal background investigations on all potential vendors and potential employes of the corporation at the level of secretary, division director, or bureau chief and at any level within the division of security. The corporation shall reimburse the Kentucky state police for the actual costs of such investigations.

(2) The corporation or its division of security shall:

(a) Conduct criminal background investigations and credit investigations on all potential retailers and investigate all potential employes of the corporation not referred to in subsection (1) of this section;

(b) Supervise ticket validation and lottery drawings;

(c) Inspect at times determined solely by the division, the facilities of any vendor in order to determine the integrity of the vendor's product and in order to determine whether the vendor is in compliance with its contract;

(d) Report any suspected violations of this Act to the appropriate Commonwealth's attorney, or the attorney general and law enforcement agencies; and

(e) Upon request, provide assistance to any Commonwealth's attorney, the attorney general or law enforcement agency investigating a violation of this Act.

SECTION 18. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) All money received by the corporation from the sale of lottery tickets and all other sources shall be deposited into a corporate operating account. The corporation is hereby authorized to use all money in the corporate operating account for the purposes of paying prizes and the necessary expenses of the corporation and dividends to the state. The corporation shall allocate the amount to be paid by the corporation to prize winners. Such amount in the corporate operating account which the corporation anticipates will be available for the payment of prizes on an annuity basis, may be invested in direct United States treasury obligations. These instruments may be in varying maturities with respect to payment of annuities and may be in book-entry form. Quarterly, the corporation shall transfer to the general fund the net revenues of the corporation which shall be allocated equally among programs to pay a Vietnam veterans bonus (in the first year of operation only), early childhood education and development and senior citizens. The transfer shall be made no later than the tenth (10th) day of the month following each calendar quarter. The net revenues shall be determined by deducting from gross revenues the payment costs incurred in the operation and administration of the lottery, including the expenses of the corporation and the costs resulting from any contract or contracts entered into for promotional, advertising or operational services or for the purchase or lease of lottery equipment and materials, fixed capital outlays, and the payment of prizes to the holders of winning tickets or shares. After the start-up costs are paid, it is the intent of the legislature that it shall be the goal of the corporation to transfer each year thirty-five percent (35%) of gross revenues to the general fund for the purposes stated above.

(2) A financial postaudit of the books and records of the corporation shall be conducted annually by an independent, certified public accountant selected by the corporation. The postaudit shall be conducted in accordance with generally accepted accounting principles and shall be paid for by the corporation. The auditor of public accounts may at any time conduct such additional audits of the corporation as he deems necessary or desirable. All such audits shall be filed with the governor, the president of the senate, and the speaker of the house of representatives. The corporation shall reimburse the auditor of public accounts for the actual costs of any audits performed by him. The corporation shall cooperate with the auditor of public accounts by giving employes designated by any of them access to facilities of the corporation for the purpose of efficient compliance with their respective responsibilities. With respect to any reimbursement that the corporation is required to pay to any agency, the corporation may enter into an agreement with such agency under which the corporation shall pay to such agency an amount reasonably anticipated to cover such reimbursable expenses in advance of such expenses being incurred.

SECTION 19. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The corporation is hereby authorized to accept and expend such moneys as may be appropriated by the general assembly or such moneys as may be received from any source including income from the corporation's operations, for effectuating its corporate purposes including, without limitation, the payment of the initial expenses of administration and operation of the corporation and the lottery.

(2) After the initial transfer of any appropriated funds provided by this Act, the corporation shall be self sustaining and self funded and moneys in the state general fund shall not be used or obligated to pay the expenses of the corporation or prizes of the lottery and no claim for the payment of an expense of the lottery or prizes of the lottery shall be made against any moneys other than moneys credited to the corporate operating account established by this Act.

SECTION 20. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

It is the intent of the general assembly that any potential negative effect of the state lottery on the horse racing industry be kept to a minimum. Therefore, in the selection of games and the method of determining winners, the corporation shall be sensitive to the effect of the lottery on the horse racing industry and may use for any game the theme of horse racing.

Section 21. KRS 243.500 is amended to read as follows:

Any license issued under KRS 243.020 to 243.670 must be revoked or suspended for the following causes:

(1) Conviction of the licensee or his agent or employe for selling any illegal beverages on the premises licensed.

(2) Making any false, material statements in an application for a license.

(3) Violation of the provisions of KRS 243.670.

(4) If, within a period of two (2) consecutive years, any licensee or any of his clerks, servants, agents or employes shall have been convicted of two (2) violations of the terms and provisions of KRS Chapter 241, 243 or 244 or any act heretofore or hereafter in effect relating to the regulation of the manufacture, sale and transportation of alcoholic beverages or if, within such period, any licensee or any of his clerks, servants, agents or employes shall have twice been convicted of any felony or of any misdemeanor directly or indirectly attributable to the use of intoxicating liquors, or of one (1) such felony and one (1) such misdemeanor.

(5) Wilful and deliberate failure or default of a licensee to pay an excise tax or any part thereof, or any penalties imposed by or under the provisions of any statutes, ordinances or acts of congress relative to taxation, or for a violation of any rules or regulations of the revenue cabinet made in pursuance thereof.

(6) Revocation of any license or permit provided in KRS 243.060, 243.070, 243.600 and 243.610, or granted under any act of congress relative to the regulation of the manufacture, sale and transportation of alcoholic beverages. Any license issued under KRS 243.020 to 243.670 must be revoked or suspended in the case of sale of alcoholic beverages by the licensee at a price in excess of the price set by federal or state regulations.

(7) Setting up, conducting, operating or keeping, on the licensed premises, any gambling game, device, machine or contrivance, or lottery or gift enterprise, or handbook or facility for betting or transmitting bets on horse races; or permitting to be set up, conducted, operated, kept, or engaged in, on the licensed premises, any such game, device, machine, contrivance, lottery, gift enterprise, handbook or facility. *This section shall not apply to the sale of lottery tickets or shares sold under the provisions of this Act.*

(8) Conviction of the licensee, his agents, servants, or employes for:

(a) The sale or use upon the licensed premises of those items described in KRS 218A.050 to 218A.130 as controlled substances;

(b) Knowingly permitting the sale or use by patrons upon the licensed premises of those items described in KRS 218A.050 to 218A.130 as controlled substances.

Section 22. KRS 247.155 is amended to read as follows:

It shall be unlawful for any person to open, cause to be opened, carry on, conduct or operate as owner, proprietor or employe any gambling device or game of chance within the confines of the grounds of the Kentucky state fair. Any person who violates any provision of this section shall be fined not less than fifty dollars ($50.00) nor more than five hundred dollars ($500) for each offense. Each day in which a gambling device or game of chance is so operated shall be considered a separate offense. *This section shall not apply to the sale of lottery tickets or shares sold under the provisions of this Act.*

Section 23. KRS 247.160 is amended to read as follows:

(1) The state fair board shall have exclusive control of concessions, exhibitions, shows, entertainments and attractions at any place on the state fairgrounds and exhibition center and may, in the discretion of the board, operate any or all of such concessions, exhibitions, shows, entertainments and attractions, but the board shall not allow the operation of any gambling device or game of chance therein. It may delegate such control or operation to any of its employes or agents, or to an executive committee. *This section shall not apply to the sale of lottery tickets or shares sold under the provisions of this Act.*

(2) The state fair board shall have a prior lien upon the property of any concessionaire, exhibitor or person, immediately upon its coming or being brought on the grounds, or the center, to secure existing or future indebtedness.

(3) Any designated employe or agent of the state fair board may sell the property to satisfy the indebtedness after giving ten (10) days' notice to the owner or agent of the owner or, if notice cannot be given to the owner, after a notice is posted for ten (10) days in the office of the state fair board on the grounds, announcing that the property is to be sold. The state fair board, through its designated agent, may bid and buy in the property offered for sale for the use and benefit of the state fair.

Section 24. KRS 436.420 is amended to read as follows:

(1) The publisher or owner of any newspaper, magazine, sheet or periodical published and circulated in this state which prints or publishes, any advertisement of any lottery, drawing or scheme of chance or any announcement indicating where any ticket or chance thereon can be procured, or which prints, advertises, circulates or publishes any matter, announcement or statement in any way concerning any lottery, drawing or scheme of chance, whether it is an advertisement of a lottery, drawing or scheme of chance that will occur in the future, that has occurred in the past or that it is usual or customary to hold at any given time, and whether the lottery, drawing or scheme of chance is held in this state or elsewhere, or which prints, advertises, circulates or publishes any announcement or statement of the result, in whole or in part, of any lottery, drawing or scheme of chance, shall be fined not less than one thousand dollars nor more than five thousand dollars, and imprisoned for not less than thirty nor more than sixty days.

(2) If a newspaper, magazine, sheet or periodical which prints or publishes matter prohibited by subsection (1) of this section is owned by a corporation, the corporation shall be fined as provided in subsection (1) of this section, and either the president or the managing officers of the corporation, or both, shall be imprisoned as provided by subsection (1) of this section in the case of an individual.

(3) This section shall not apply to the sale of lottery tickets or shares sold under the provisions of this Act.

SECTION 25. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) Any person who sells a lottery ticket to a person under eighteen (18) years of age shall be fined not less than one hundred dollars ($100) nor more than five hundred dollars ($500) for the first offense and for each subsequent offense not less than two hundred dollars ($200) nor more than five hundred dollars ($500) and may be imprisoned for not more than ninety (90) days.

(2) Any person who violates the provisions of subsection (1) of section 13 of this Act for the first offense shall be fined not less than one hundred dollars ($100) nor more than five hundred dollars ($500) and for each subsequent offense shall be fined not less than two hundred dollars ($200) nor more than two thousand dollars ($2,000) and may be imprisoned for not more than ninety (90) days.

(3) Any person who violates the provisions of subsection (4) of section 8 of this Act shall be fined not less than one thousand dollars ($1,000) nor more than ten thousand dollars ($10,000).

(4) Any person who violates the provisions of subsection (2) of section 3 of this Act shall be fined not less than five thousand dollars ($5,000) nor more than fifty thousand dollars ($50,000).

(5) Any person who violates the provisions of subsection (3) of section 8 of this Act shall be fined not less than one thousand dollars ($1,000) nor more than ten thousand dollars ($10,000).

(6) Any person who violates the provisions of subsection (2) of section 8 of this Act shall be fined not less than five thousand dollars ($5,000) nor more than fifty thousand dollars ($50,000) and shall be guilty of a class D felony.

(7) Any person who willfully violates the provisions of subsection (1) of section 11 of this Act or who does not segregate and keep separate and apart from all other funds and assets all proceeds from the sale of lottery tickets received by a person in the capacity of a lottery retailer shall be fined not less than one thousand dollars ($1,000) nor more than ten thousand dollars ($10,000) and shall be guilty of a class D felony.

(8) Any person who, with intent to defraud, falsely makes, alters, forges, utters, passes or counterfeits a state lottery ticket or share shall be guilty of a class C felony.

(9) Any person who influences or attempts to influence the winning of a prize through the use of coercion, fraud, deception or tampering with lottery equipment or materials shall be guilty of a class B felony.

Sectin 26. The sum of six million dollars ($6,000,000) is hereby appropriated from the general fund to the Kentucky state lottery corporation. Said sum shall be used for operating expenses of the corporation during the fiscal year 1988-89. The corporation shall repay to the general fund the amount appropriated with interest, at a rate equivalent to the average investment yield of the general fund at the time funds are disbursed to the corporation, with such repayment to be no later than June 30, 1989.

Section 27. 277.260 - Ejection from train for offensive conduct or language or for gambling, is repealed.

Section 28. Whereas the people of Kentucky have proven their desire for a lottery by their approval of a constitutional amendment and whereas any delay in the implementation of the lottery will result in lost revenues to the Commonwealth, an emergency is declared to exist, and this Act shall become effective upon approval by the governor.

The Committee Substitute to **HB 1** is as follows:

HB 1, AN ACT creating a state lottery, making an appropriation therefor, and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

As used in this Act unless the context requires otherwise:

(1) "Corporation" means the Kentucky lottery corporation;

(2) "Lottery" means any game of chance approved by the corporation and operated pursuant to this Act;

(3) "Marginal cost/marginal revenue" means that the revenues to the corporation must exceed its variable costs associated with the generation of that revenue;

(4) "Major procurement" means any gaming product or service including, but not limited to, advertising and promotional services, annuity contracts, prize payment agreements, consulting services, equipment, tickets and other products and services unique to the Kentucky lottery, but not including materials, supplies, equipment and services common to the ordinary operations of a corporation;

(5) "President" means the president of the Kentucky lottery corporation who shall also serve as chief executive officer of the corporation;

(6) "Retailer" means any person with whom the corporation has contracted to sell lottery tickets, also referred to herein as shares, to the public; and

(7) "Vendor" means any person who has entered into a major procurement contract with the corporation.

SECTION 2. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

There is hereby created and established an independent, de jure municipal corporation and political subdivision of the Commonwealth of Kentucky which shall be a public body corporate and politic to be known as the Kentucky lottery corporation. The corporation shall be deemed a public agency within the meaning of KRS 61.805 and 61.870. This corporation shall be managed in such a manner that enables the people of the Commonwealth to benefit from its profits and to enjoy the best possible lottery games. The general assembly hereby recognizes that the operations of a lottery are unique activities for state government and that a corporate structure will best enable the lottery to be managed in an entrepreneurial and business-like manner. It is also the intent of the general assembly that the lottery shall be accountable to the governor, the general assembly and the people of the Commonwealth through a system of audits, reports and thorough financial disclosure as required by this Act.

SECTION 3. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The affairs of the corporation shall be administered by a board of directors composed of seven (7) members appointed by the Governor, subject to the advice and consent of the senate. Members appointed when the senate is not in session shall serve only until the next regular session, or special session if included in the call therefor, of the general assembly at which time they shall be subject to confirmation by the senate. Should the senate refuse to confirm the member then he shall forfeit his office as of the date on which the senate refuses to confirm him. Any person not confirmed by the senate shall not be reappointed as a member for a period of two (2) years. Members appointed by the governor, and confirmed by the senate, shall be residents of the Commonwealth of Kentucky and serve a term of four (4) years, except that of the initial members appointed, three (3) shall be appointed for two (2) years, three (3) shall be appointed for three (3) years and one (1) shall be appointed for four (4) years. No member shall serve more than two (2) consecutive terms. Members, confirmed by the senate, shall remain in office until they are reappointed or until their successors are appointed and qualified. No more than four (4) of the members appointed by the governor may be from the same political party. Members may be removed by the governor for neglect of duty, misfeasance, or nonfeasance in office. The board shall annually elect a chairman from among its voting members.

(2) Members of the board of directors shall not have any direct or indirect interest in an undertaking that puts their personal interest in conflict with that of the corporation. If a member determines that a conflict exists, such conflict shall be disclosed to the chairman in writing and the member shall abstain from participating in any decision dealing with the undertaking in which he has an interest.

(3) Appointed members of the board of directors, shall be entitled to five thousand dollars ($5,000) per year as remuneration for serving on the board, except for the chairman, who shall receive seven thousand five hundred dollars ($7,500), and all members may be reimbursed for necessary travel and other reasonable expenses incurred in the performance of their official duties.

(4) The board, upon call of the chairman, shall meet at least monthly for the first eighteen (18) months and bi-monthly thereafter and at such other times as the chairman may determine. Four (4) members of the board shall constitute a quorum. The board shall also meet upon call of a majority of the voting members of the board. The board shall keep accurate and complete records of all its meetings.

(5) The state treasurer shall be an ex-officio, nonvoting member of the board. He shall not be compensated for his services on the board.

(6) The president of the corporation shall be appointed by the governor subject to confirmation by the board of directors. Should the board of directors refuse to confirm the appointment of the president, then the governor shall submit another name. The person whose appointment was refused shall not be renamed for confirmation for a period of two (2) years. The board of directors shall meet within ninety (90) days of the date the governor submits the name of a nominee for president of the corporation and shall, within that time frame, either approve or reject the nomination. The president of the corporation shall manage the daily affairs of the corporation and shall have such powers and duties as specified by this Act and by the board of directors. The president of the corporation may be removed by the board of directors after thirty (30) days' notice.

(7) All meetings of the board shall be open unless they may be closed under KRS 61.810 or relate to the security of lottery operations.

SECTION 4. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) All records of the corporation shall be deemed open records and subject to public inspection, unless:

(a) Such record is deemed privileged pursuant to KRS 61.870 to 61.884; or

(b) Such record involves a trade secret of the corporation or of a vendor; or

(c) The disclosure of the record would endanger the security of the lottery or its retailers.

(2) The provisions of KRS 61.878, 61.880, and 61.884 shall apply to records of the lottery corporation with the exception that the only circuit court with jurisdiction over the records of the lottery corporation is the circuit court where the corporate headquarters of the lottery corporation is located.

SECTION 5. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The board of directors shall serve as a resource for the corporation and to provide the president with private-sector perspectives on the operation of a large marketing enterprise. The board shall:

(a) Approve, disapprove, or modify the budget recommended by the president for the operation of the corporation;

(b) Approve, disapprove, or modify the terms of major lottery procurements recommended by the president;

(c) Serve as a board of appeal for any denial, revocation or cancellation by the president of a contract with a lottery retailer. All appeals before the board shall be heard and decided within thirty (30) days of the filing thereof; and

(d) Adopt, from time to time, such administrative regulations which shall be subject to the provisions of KRS Chapter 13A, as may be necessary to carry out and implement its powers and duties, the operation of the corporation, the conduct of lottery games in general, and any other matters necessary or desirable for the efficient and effective operation of the lottery or convenience of the public. The board may adopt, without recourse to the administrative regulation process unless it so desires, rules for the conduct of specific lottery games, including but not limited to rules specifying:

1. The types of games to be conducted, including but not limited to, instant lotteries, on-line games and other games traditional to the lottery;

2. The sale price of tickets;

3. The number and amount of prizes;

4. The method and location of selecting or validating winning tickets;

5. The frequency and the means of conducting drawings which shall be open to the public;

6. The manner of payment of prizes;

7. The frequency of games and drawings;

8. The manner and amount of compensation to lottery retailers; and

9. Any other matters necessary or desirable for the efficient and effective operation of the lottery or for the convenience of the public.

(2) In all other matters, the board shall advise and make recommendations. However, the board shall:

(a) Conduct hearings upon complaints charging violations of this Act or of rules adopted by the corporation and may conduct such other hearings as may be provided by rule;

(b) Review the performance of the corporation and:

1. Advise the president and make recommendations to him regarding operations of the corporation; and

2. Identify potential improvements in this Act, the rules of the corporation, and the management of the corporation;

(c) Request from the corporation any information the board determines to be relevant to its duties; and

(d) Report to the president of the corporation, the governor, the president pro tempore of the senate, and the speaker of the house of representatives regarding its findings and recommendations.

SECTION 6. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The corporation shall conduct and administer lottery games which will result in maximization of revenues to the Commonwealth of Kentucky while at the same time provide entertainment to its citizens. It shall be the duty of the corporation, its employes and the members of the board to provide for the effective operation of lottery games which insure the integrity of the lottery and maintain the dignity of the Commonwealth and the general welfare of its citizens. The corporation, in pursuit of the attainment of the objectives and the purposes of this Act, may:

(a) Sue and be sued in its corporate name;

(b) Adopt a corporate seal and a symbol;

(c) Hold copyrights, trademarks, and service marks and enforce its rights with respect thereto;

(d) Enter into written agreements with one (1) or more other states for the operation, marketing and promotion of a joint lottery or joint lottery games;

(e) Acquire real property and make improvements thereon. But such acquisitions shall be reported to the capital project and bond oversight committee for its review and determination in accordance with KRS 45.750-800; and

(f) Make, execute and effectuate any and all agreements or contracts including:

1. Contracts for the purchase of such goods and services as are necessary for the operation and promotion of the state lottery, provided that a proposed purchase of major items of equipment estimated to cost fifty thousand dollars ($50,000) or more shall be reported to the capital projects and bond oversight committee for its review and determination in accordance with the provisions of KRS 45.750-800; and

2. Contracts to incur debt in its own name and enter into financing agreements with the Commonwealth, its own agencies, or with a commercial bank, excluding the authority to issue bonds.

(2) The corporation shall:

(a) Supervise and administer the lottery in accordance with the provisions of this Act and the rules adopted by the board;

(b) Submit monthly and annual reports to the governor, the president pro tempore of the senate, and the speaker of the house of representatives containing financial statements which include, but are not limited to, disclosure of gross revenues, expenses, and net proceeds for the period;

(c) Adopt by rule a system of continuous internal audits, audits by the auditor of public accounts and an annual certified audit by an outside auditing firm;

(d) Maintain weekly or more frequent records of lottery transactions, including distribution of tickets to lottery retailers, revenues received, claims for prizes, prizes paid, and all other financial transactions of the corporation; and

(e) Adopt by rule a code of ethics for officers and employes of the corporation to carry out the standards of conduct established by the provisions of this Act.

SECTION 7. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The president, as chief executive officer of the corporation, shall direct and supervise all administrative and technical activities in accordance with the provisions of this Act and with the rules adopted by the board. It shall be his duty to:

(a) Supervise and administer the operation of the lottery games;

(b) Employ and direct such personnel as may be necessary to carry out the purposes of this Act and utilize such services, personnel or facilities of the corporation as he may deem necessary. He may employ by personal service contract and compensate such consultants and technical assistants as may be required to carry out the provisions of this Act. The president may, by agreement, secure information and services as he may deem necessary from any department, agency, or unit of state government, and shall compensate such department, agency or unit of state government for its services. Such agencies, departments or units of state government shall cooperate with the corporation and provide such information and services as may be required by the corporation to assure the integrity of the lottery and the effective operation of the lottery games;

(c) Contract in accordance with the rules of the corporation with persons to sell lottery tickets at retail who in his opinion will best serve the public convenience and promote the sale of tickets or shares. The president may require a bond or bank letter of credit from retail agents in such amount as provided by this Act or by administrative regulations issued by the board. Bonding provisions shall be utilized only where their imposition is felt necessary for the protection of the lottery. Retailers aggrieved by a decision of the president to require a bond or bank letter of credit may appeal that decision to the board. Retailers aggrieved by a decision of the board requiring a bond or bank letter of credit may appeal to the circuit court in the county in which the corporation maintains its headquarters. The circuit court may reverse the decision of the board only in the event it is found to be grossly unreasonable, procured by fraud, or is a result of misconduct by the board or a member thereof;

(d) Any person who has appealed to the courts relative to the denial, suspension, or revocation of a contract and action of the corporation denying, suspending, or revoking the contracts upheld by the courts may not reapply to the corporation for the same type of contract for a period of three (3) years;

(e) Make available for inspection by the board or any member of the board, upon request, all books, records, files, and other information and documents of his office and to advise the board and recommend such rules and other matters he deems necessary and advisable to improve the operation and administration of the lottery;

(f) Enter into any contract with any person, firm or corporation for the promotion and operation of the lottery or any part thereof, for the performance of any of the functions as in this Act or rules adopted by the board; and

(g) Attend meetings of the board or appoint a designee to attend on his behalf;

(h) On the first day of the regular session of the general assembly in 1990 and biennially thereafter, submit the proposed biennial budget of the corporation to the appropriations and revenue committee of the house of representatives for review and comment. The budget shall be submitted to the director of the legislative research commission at the same time it is submitted to the board of directors. The director of the legislative research commission shall then submit the budget to the appropriations and revenue committee of the house of representatives;

(i) The president, with the approval of the board where appropriate, may modify the budget at any time in any manner deemed necessary for the proper operation of the corporation; however, each change shall be reported in writing to the board and to the director of the legislative research commission, who shall transmit a copy of the change to the appropriations and revenue committee of the house of representatives.

(j) Following his confirmation, and during his entire term of office, the president shall reside in Kentucky.

(2) The president, in conjunction with the board, shall conduct an ongoing study of the operation and administration of lotteries in other states or countries, of available literature on the subject, of federal laws and regulations which may affect the operation of the lottery and of the reaction of citizens of this state to existing or proposed features of lottery games, with a view toward implementing improvements that will tend to serve the purposes of this Act.

(3) The president also may:

(a) Require bond from corporate employes with access to corporate funds or lottery funds, in such an amount as provided in the rules of the board. The president may also require bond from other employes as he deems necessary; and

(b) Suspend, revoke or refuse to renew any contract entered into in accordance with the provision of this Act or the rules of the board. Any person aggrieved by an action pursuant to this subsection may appeal that decision to the board. Any person aggrieved by a decision of the board may appeal to the circuit court in the county in which the corporation maintains its headquarters. The circuit court may reverse the decision of the board only in the event it is found to be grossly unreasonable, procured by fraud, or is a result of misconduct by the board or a member thereof.

SECTION 8. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The corporation shall establish and maintain a personnel program for its employes. The corporation may procure benefit programs or group insurance plans and shall provide a retirement plan. Employes of the corporation shall serve at the pleasure of the president who shall determine their compensation and benefits. The employes shall be subject to suspension, dismissal, reduction in pay, demotion, transfer, or other personnel action at the discretion of the president. Such personnel actions shall be exempt from the provisions of KRS Chapter 18A. The compensation of officers at the division head level and above shall be exempt from the provisions of KRS 64.640.

(2) No officer or employe of the corporation shall have a financial interest in any vendor doing business or proposing to do business with the corporation.

(3) No officer or employe of the corporation with decision-making authority may participate in any decision involving a retailer with whom the officer or employe has a financial interest.

(4) No officer or employe of the corporation who leaves the employ of the corporation may represent any vendor or lottery retailer before the corporation regarding any specific matter in which the officer or employe was involved while employed by the corporation for a period of two (2) years following termination of employment with the corporation.

(5) A background investigation shall be conducted by the chief security officer of the corporation on every applicant prior to employment by the corporation. Applicants may be fingerprinted as a condition of employment. In addition, all division directors of the corporation and employes of the corporation performing duties primarily related to security matters prior to employment shall be subject to a background investigation report conducted by the Kentucky state police. The Kentucky state police shall be reimbursed by the corporation for the cost of investigations conducted pursuant to this section. No person who has been convicted of a felony, bookmaking or other forms of illegal gambling, or of a crime involving moral turpitude shall be employed by the corporation.

SECTION 9. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The general assembly hereby recognizes that to conduct a successful lottery the corporation must have a solid cadre of retail outlets and therefore, prohibits the granting of any exclusive territories to prospective retailers of instant tickets. Lottery retailers shall be chosen based on business considerations and in a matter that serves the public convenience and best promotes the sale of tickets or shares without regard to the retailers political affiliation, activities or monetary contributions. In the selection of lottery retailers, such factors as financial responsibility, security of the applicant's place of business or activity, integrity, reputation, and other such factors shall be considered. No applicant who has met the requirements established in this Act shall be denied a license to sell instant tickets. Persons lawfully engaged in nongovernmental business on state property

may be selected as lottery retailers. The selection of on-line retailers shall be made, in addition to other requirements as provided in this Act, on a marginal cost/marginal revenue basis to maximize the profits of the corporation and revenues to the Commonwealth. Any person aggrieved by an action pursuant to this subsection may appeal that decision to the board. Any person aggrieved by a decision of the board may appeal to the circuit court in the county in which the corporation maintains its headquarters. The circuit court may reverse the decision of the board only in the event it is found to be grossly unreasonable, procured by fraud, or is a result of misconduct by the board or a member thereof. A retailer who has been denied an on-line game for reasons of a marginal cost/marginal revenue basis shall be permitted to purchase or lease the equipment necessary to operate such a game from the corporation. This provision shall not apply to a retailer who has been denied such equipment due to security or integrity reasons. A retailer need not file an appeal before being permitted to purchase or lease on-line equipment.

(2) Persons applying to become lottery retailers may be charged an application fee in an amount sufficient to cover the full costs of processing the application including, but not limited to, all background investigations.

(3) All lottery retailer contracts awarded by the corporation under this Act shall be renewable annually after issuance unless sooner cancelled or terminated.

(4) No lottery retailer contract awarded under this Act shall be transferrable or assignable.

(5) Each lottery retailer shall be issued a lottery retailer certificate which shall be conspicuously displayed at the place where the lottery retailer is authorized to sell lottery tickets or shares.

(6) Lottery tickets or shares shall only be sold by the lottery retailer at the location stated on the lottery retailer certificate.

(7) No lottery retailer may contract with any person for lottery goods or services except those approved by the corporation.

(8) To be selected as a lottery retailer, a natural person acting as a sole proprietor must:

(a) Be at least eighteen (18) years of age;

(b) Have sufficient financial resources to support the activities required to sell lottery tickets or shares;

(c) Be current in payment of all taxes, interest and penalties owed to any taxing subdivision where the lottery retailer will sell lottery tickets or shares;

(d) Be current in filing all applicable tax returns and in payment of all taxes, interest and penalities owed to the Commonwealth of Kentucky, excluding items under formal appeal pursuant to applicable statutes; and

(e) Not be engaged exclusively in the sale of lottery tickets and shares, however, this paragraph does not preclude the corporation from contracting for the sale of lottery tickets with nonprofit, charitable organizations or units of local government in accordance with the provisions of this Act.

(9) No natural person, partnership, unincorporated association, corporation, or other business entity shall be selected as a lottery retailer who:

(a) Has been convicted of a felony in this or any other jurisdiction, unless at least ten (10) years have passed since satisfactory completion of the sentence or probation imposed by the court for each felony;

(b) Has been convicted of any illegal gambling activity in this or any other jurisdiction;

(c) Has been found to have violated the provisions of this Act or any rule adopted hereunder;

(d) Is a vendor or an employe or agent of any vendor doing business with the corporation;

(e) Resides in the same household of an officer of the corporation; or

(f) Has made a statement of material fact to the corporation, knowing such statement to be false; unless the prospective retailer has met one or more of the provisions contained in Section 16(4)(a)-(c).

(10) For a partnership to be selected as a lottery retailer, the partnership must meet the requirements of subsections (8)(b), (8)(c), (8)(d), and (8)(e) and each partner must meet the requirements of subsections (8)(a), (8)(c), (8)(d), (8)(e) and (9)(a) through (9)(f).

(11) For a corporation to be selected as a lottery retailer, the corporation must meet the requirements of subsections (8)(b), (8)(c), (8)(d), and (8)(e) and each officer or director and each stockholder who owns five percent (5%) or more of the stock of such corporation must meet the requirements of subsections (8)(c), (8)(d), (8)(e) and (9)(a) through (9)(f).

(12) For an unincorporated association to be selected as a lottery retailer, the association must meet the requirements of subsections (8)(b), (8)(c), (8)(d) and (8)(e) and each officer or director must meet the requirements of subsections (8)(a), (8)(c), (8)(d), (8)(e) and (9)(a) through (9)(f).

(13) For the convenience of the public, all retailers may be authorized to pay winners up to six hundred dollars ($600) after the retailer performs validation procedures appropriate to the lottery game involved.

(14) Lottery winnings of six hundred dollars ($600), or less, annually shall not be subject to Kentucky income tax.

(15) Lottery tickets shall be exempt from the sales tax.

(16) A member of the general assembly who meets the same requirements as any other applicant to be a retailer may be granted a retail contract to sell lottery tickets or participate in other lottery game operations. No member of the general assembly shall be entitled to preference over any other applicant for a contract.

SECTION 10. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The corporation may require each retailer to post a letter of credit or a bond with the corporation using a surety acceptable to the corporation in an amount not to exceed twice the average lottery ticket sales of the retailer for the period within which the retailer is required to remit lottery funds to the corporation. For the first ninety (90) days of sales of a new retailer, the amount of the bond may not exceed twice the average estimated lottery ticket sales for the period within which the retailer is required to remit lottery funds to the corporation. This section does not apply to lottery tickets which are prepaid by the retailers.

(2) Any contract executed by the corporation pursuant to this Act shall specify the reasons for which any contract may be suspended or terminated by the corporation, including, but not limited to:

(a) Commission of a violation of this Act or administrative regulations adopted pursuant thereto;

(b) Failure to accurately account for lottery tickets, revenues, or prizes as required by the corporation;

(c) Commission of any fraud, deceit, or misrepresentation;

(d) Insufficient sale of tickets;

(e) Conduct prejudicial to public confidence in the lottery;

(f) Any material change in any matter considered by the corporation in executing the contract with the retailer;

(g) Failure to meet any of the standards as set out in subsection (8) or (9) of Section 9 of this Act.

(3) If, in the discretion of the president, such denial, revocation, suspension or rejection of renewal is in the best interests of the lottery, the public welfare, or the Commonwealth of Kentucky, the president may suspend, revoke, or refuse to renew, after notice and a hearing, any contract issued pursuant to this Act. Such contract may, however, be temporarily suspended by the president without prior notice, pending any prosecution, hearing or investigation, whether by a third party or by the president. A contract may be suspended, revoked or refused to be renewed by the president for one (1) or more of the following reasons:

(a) Commission of a violation of this Act or administrative regulation adopted pursuant thereto;

(b) Failure to accurately account for lottery tickets, revenues, or prizes as required by the corporation;

(c) Commission of any fraud, deceit or misrepresentation;

(d) Insufficient sale of tickets;

(e) Conduct prejudicial to public confidence in the lottery;

(f) Any material change in any matter considered by the corporation in executing the contract with the retailer; or

(g) Failure to meet any of the standards set out in subsection (8) or (9) of Section 9 of this Act.

(4) Any person aggrieved by an action pursuant to this section may appeal that decision to the board. Any person aggrieved by a decision of the board may appeal to the circuit court in the county in which the corporation maintains its headquarters. The circuit court may reverse the decision of the board only in the event it is found to be grossly unreasonable, procured by fraud, or is a result of misconduct by the board or a member thereof.

SECTION 11. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

Whenever a bond is required for the protection of the corporation, letters of credit or other surety as may be approved by the corporation, may be utilized in lieu of a bond.

SECTION 12. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) All proceeds from the sale of lottery tickets or shares received by a person in the capacity of a lottery retailer, together with interest thereon, shall constitute a trust fund until paid to the corporation either directly, or through the corporation's authorized collection representative. Proceeds shall include unsold instant tickets received by a lottery retailer and cash proceeds of sale of any lottery products, net of allowable sales commissions and credit for lottery prizes paid to winners by lottery retailers. Sales proceeds and unused instant tickets shall be delivered to the corporation or its authorized collection representative upon demand. The corporation shall, by administrative regulation, require retailers to place all lottery proceeds due the corporation in accounts in institutions insured by the federal deposit insurance corporation or federal savings and loan insurance corporation from the date of their collection by the retailer until the date they are paid over the corporation and the corporation may require retailers to establish separate electronic funds transfer accounts where available for the purpose of receiving moneys from ticket sales, making payments to the corporation, and receiving payments from the corporation. Lottery retailers shall be personally liable for all proceeds. Lottery retailers shall establish a separate bank account for lottery proceeds which shall be kept separate and apart from all other funds and assets and shall not be commingled with any other funds or assets. This section shall apply to all lottery tickets or shares generated by computer terminal, other electronic device, and any other tickets delivered to lottery retailers.

(2) Whenever any person who receives proceeds from the sale of lottery tickets in the capacity of a lottery retailer becomes insolvent, or dies insolvent, the proceeds due the corporation from such person or his estate shall have preference over all debts or demands.

SECTION 13. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) If a lottery retailer's rental payments for the business premises are contractually computed, in whole or in part, on the basis of a percentage of retail sales, and such computation of retail sales is not explicitly

defined to include sales of tickets or shares in a state-operated lottery, the compensation received by the lottery retailer from the lottery shall be considered the amount of the retail sale for purposes of computing the rental payment.

SECTION 14. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) No person shall sell a ticket at a price other than that established by the corporation unless authorized in writing by the president. No person other than a duly certified lottery retailer may sell lottery tickets except that nothing in this section shall be construed to prevent a person who may lawfully purchase tickets from making a gift of lottery tickets to another. Nothing in this section shall be construed to prohibit the corporation from designating certain of its agents and employes to sell lottery tickets directly to the public.

(2) Lottery tickets may be given by merchants as a means of promoting goods or services to customers or prospective customers subject to approval by the corporation.

(3) No lottery retailer shall sell a ticket away from the locations listed in his contract.

SECTION 15. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) Except as provided in Section 9, proceeds of lottery prizes shall be subject to Kentucky state income tax. However, if such winner has delinquent Kentucky income taxes or child support payments ordered by a court of law, such delinquent amounts shall be deducted from the winnings. Any attachments, garnishments or executions authorized and issued pursuant to statute shall also be withheld if served upon the proper corporation employe or officer. This section shall apply only when the corporation makes the payments and

(a) Delinquent state taxes are involved; or

(b) The corporation has on file a Kentucky court order or order from the cabinet for human resources directing such payment.

This section shall not apply to a retailer.

(2) The board shall adopt rules to establish a system of verifying the validity of tickets claimed to win prizes and to effect payment of such prizes, except that:

(a) No prize, nor any portion of a prize, nor any right of any person to a prize awarded shall be assignable. Any prize, or portion thereof, remaining unpaid at the death of a prize winner may be paid to the estate of such deceased prize winner or to the trustee under a revocable living trust established by the deceased prize winner as settlor, provided that a copy of such a trust has been filed with the corporation along with a notarized letter of direction from the settlor and no written notice of revocation has been received by the corporation prior to the settlor's death. Following such a settlor's death and prior to any payment to such a successor trustee, the corporation shall obtain from the trustee and each trust beneficiary a written agreement to indemnify and hold the corporation harmless with respect to any claims that may be asserted against the corporation arising from payment to or through the trust. Notwithstanding any other provisions of this section, any person, pursuant to an appropriate judicial order, may be paid the prize to which a winner is entitled.

(b) No ticket or share shall knowingly be sold to any person under the age of eighteen (18), but this section does not prohibit the purchase of a ticket by a person eighteen (18) years of age or older for the purpose of making a gift to any person of any age. In such case, the corporation shall direct payment to an adult member of the person's family or the legal guardian of the person on behalf of such person. The person named as custodian shall have the same powers and duties as prescribed for a custodian pursuant to the uniform transfers to minors act.

(c) No prize may be paid arising from claimed tickets that are stolen, counterfeit, altered, fraudulent, unissued, produced or issued in error, unreadable, not received or not recorded by the corporation within applicable deadlines, lacking in captions that conform and agree with the play symbols as appropriate to the lottery game involved, or not in compliance with such additional specific rules and public or confidential validation and security tests of the corporation appropriate to the particular lottery game involved.

(d) No particular prize in any lottery game may be paid more than once, and in the event of a binding determination that more than one claimant is entitled to a particular prize, the sole remedy of such claimants is the award to each of them of an equal share in the prize.

(e) A holder of a winning cash ticket or share from a Kentucky lottery game may claim a prize within three hundred sixty five (365) days, or for a multistate lottery game within one hundred eighty (180) days, after the drawing in which the prize was won. In any Kentucky lottery game in which the player may determine instantly if he has won or lost, he must claim a prize within three hundred sixty five (365) days, or for a multistate lottery game within one hundred eighty (180) days, after the end of the lottery game. If a valid claim is not made for a prize within the applicable period, the prize shall constitute an unclaimed prize for purposes of subsection (3) of this section.

(f) No prizes may be paid upon a ticket purchased or sold in violation of this Act or to any person who is prohibited from purchasing a lottery ticket. Any such prize shall constitute an unclaimed prize for purposes of subsection (3) of this section.

(3) Any unclaimed prize money shall be added to the pool from which future prizes are to be awarded or used for special prize promotions.

(4) The corporation is discharged of all liability upon payment of a prize.

(5) No ticket or share shall be purchased by and no prize shall be paid to any of the following persons: any member of the board of directors, officers, or employes of the corporation or to any spouse, child, brother, sister or parent residing as a member of the same household in the principal place of abode of any such person.

SECTION 16. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The corporation may purchase, lease, or lease-purchase such goods or services as are necessary for effectuating the purposes of this Act. Applicable leases, purchases, and lease-purchases shall be reported to the capital projects and bond oversight committee for its review and determination in accordance with the provisions of KRS 45.750-800. The corporation may not contract with any person or entity for the total operation and administration of the state lottery, but may make procurements which integrate functions such as lottery game design, lottery ticket distribution to retailers, supply of goods and services, and advertising. In all procurement decisions, the corporation shall take into account the particularly sensitive nature of the state lottery and shall act to promote and ensure security, honesty, fairness and integrity in the operation and administration of the lottery and the objectives of raising net proceeds for the benefit of the public purpose described in this Act.

(2) The corporation shall investigate the financial responsibility, security, and integrity of any person who submits a bid, proposal or offer as part of a major procurement. At the time of submitting such bid, proposal, or offer to the corporation, the corporation may require the following items:

(a) A disclosure of the vendor's name and address and, as applicable, the name and address of the following:

1. If the vendor is a corporation, the officers, directors, and each stockholder in such corporation; except that, in the case of owners of equity securities of a publicly traded corporation, only the names and addresses of those known to the corporation to own beneficially five percent (5%) or more of such securities need be disclosed;

2. If the vendor is a trust, the trustee and all persons entitled to receive income or benefit from the trust;

3. If the vendor is an association, the members, officers, and directors; and

4. If the vendor is a partnership or joint venture, all of the general partners, limited partners, or joint venturers.

(b) A disclosure of all the states and jurisdictions in which the vendor does business, and the nature of the business for each such state or jurisdiction.

(c) A disclosure of all the states and jurisdictions in which the vendor has contracts to supply gaming

goods or services, including, but not limited to, lottery goods and services, and the nature of the goods or services involved for each such state or jurisdiction.

(d) A disclosure of all the states and jurisdictions in which the vendor has applied for, has sought renewal of, has received, has been denied, has pending, or has had revoked a gaming license of any kind, and the disposition of such in each such state or jurisdiction. If any gaming license has been revoked or has not been renewed or any gaming license application has been either denied or is pending and has remained pending for more than six (6) months, all of the facts and circumstances underlying the failure to receive such a license must be disclosed.

(e) A disclosure of the details of any finding of guilt, in a state or federal court, against the vendor for any felony or any other criminal offense other than a traffic violation.

(f) A disclosure of the details of any bankruptcy, insolvency, reorganization, or any pending litigation of the vendor.

(g) Such additional disclosures and information as the corporation may determine to be appropriate for the procurement involved. If the vendor subcontracts any substantial portion of the work to be performed under the contract to a subcontractor, the vendor shall disclose all of the information required by this subsection for the subcontractor as if the subcontractor were itself a vendor.

(3) A contract for a procurement with any vendor subject to subsection (2) of this section who has not complied with the disclosure requirements described in subsection (2) of this section may not be entered into, and any contract with such a vendor is unenforceable. Any contract with a vendor who does not comply with such requirements for periodically updating such disclosures during the tenure of contract as may be specified in such contract may be terminated by the corporation. This subsection and subsection (2) of this section shall be construed broadly and liberally to achieve the ends of full disclosure of all information necessary to allow for a full and complete evaluation by the corporation of the competence, integrity, background and character of vendors for major procurements.

(4) A contract may not be entered into with any vendor who has been found guilty of a felony committed within the preceding ten (10) years, unless the corporation determines that:

(a) The vendor has been pardoned or the vendor's civil rights have been restored;

(b) Subsequent to such findings of guilt the vendor has engaged in the kind of law-abiding commerce and good citizenship that would reflect well upon the integrity of the lottery; or

(c) If the vendor is a firm, association, partnership, trust, corporation or other entity, the vendor has terminated its relationship with the individual whose actions directly contributed to the vendor's guilt.

(5) Each vendor shall, at the execution of the contract with the corporation, post a performance bond or letter of credit from a bank acceptable to the corporation, in an amount equal to the full amount estimated to be paid annually to the vendor under the contract. In lieu of the bond, a vendor may, to assure the faithful performance of its obligations, deposit and maintain with the state treasurer securities that are interest bearing or accruing and that, with the exception of those specified in paragraph (a) or (b) of this subsection, are rated in one of the three (3) highest classifications by an established nationally recognized investment rating service. Securities eligible under this subsection are limited to:

(a) Certificate of deposit issued by solvent banks or savings associations organized and existing under the laws of this state or under the laws of the United States and having their principal place of business in this state;

(b) United States bonds, notes, and bills for which the full faith and credit of the government of the United States is pledged for the payment of principal and interest;

(c) General obligation bonds and notes of any political subdivision of the state; or

(d) Corporate bonds of any corporation that is not an affiliate or subsidiary of the depositor. Such securities

must be held in trust and must have at all times a market value at least equal to the full amount estimated to be paid annually to the lottery vendor under contract.

(6) Every contract entered into by the corporation pursuant to this section shall contain a provision for payment of liquidated damages to the corporation for any breach of contract by the vendor.

(7) Each vendor shall be qualified to do business in this state and shall file appropriate tax returns as provided by the laws of this state. All contracts under this section shall be governed by the laws of this state.

SECTION 17. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The corporation shall enter into its contracts after competitive negotiation, bidding or other procedure authorized pursuant to KRS Chapters 45 and 45A, or the corporation may adopt administrative regulations pursuant to KRS Chapter 13A which are consistent with KRS Chapter 45 and 45A providing procurement procedures for any class of procurement, including authority to negotiate a reduced price. Such procedures shall be designed to allow the selection of proposals that provide the greatest long term benefit to the state, the greatest integrity for the corporation, and the best service and products, for the public.

(2) In its bidding and negotiation processes the corporation may do its own bidding and procurement, or may utilize the services of the finance and administration cabinet, or a combination thereof. The president of the corporation may declare an emergency for purchasing purposes in lieu of the secretary of finance.

SECTION 18. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The Kentucky state police shall, at the request of the division of security, perform full criminal background investigations on all potential vendors and potential employes of the corporation at the level of division director and above and at any level within the division of security. The corporation shall reimburse the Kentucky state police for the actual costs of such investigations.

(2) The corporation or its division of security shall:

(a) Conduct criminal background investigations and credit investigations on all potential retailers and investigate all potential employes of the corporation not referred to in subsection (1) of this section;

(b) Supervise ticket validation and lottery drawings;

(c) Inspect at times determined solely by the division, the facilities of any vendor in order to determine the integrity of the vendor's product and in order to determine whether the vendor is in compliance with its contract;

(d) Report any suspected violations of this Act to the appropriate Commonwealth's attorney, or the attorney general and law enforcement agencies; and

(e) Upon request, provide assistance to any Commonwealth's attorney, the attorney general or law enforcement agency investigating a violation of this Act.

SECTION 19. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) All money received by the corporation from the sale of lottery tickets and all other sources shall be deposited into a corporate operating account. The corporation is hereby authorized to use all money in the corporate operating account for the purposes of paying prizes and the necessary expenses of the corporation and dividends to the state. The corporation shall allocate the amount to be paid by the corporation to prize winners. Such amount in the corporate operating account which the corporation anticipates will be available for the payment of prizes on an annuity basis, may be invested in direct United States treasury obligations. These instruments may be in varying maturities with respect to payment of annuities and may be in book-entry form. Quarterly, the commission shall transfer to a lottery trust fund the amount of net revenues which the corporation determines are surplus to its needs. Such funds shall be held in trust until 1990 at which time the general assembly shall determine the manner in which the funds will be allocated and appropriated. The transfer shall be made no later than the tenth (10th) day of the month following each calendar quarter. The net revenues shall be determined

by deducting from gross revenues the payment costs incurred in the operation and administration of the lottery, including the expenses of the corporation and the costs resulting from any contract or contracts entered into for promotional, advertising or operational services or for the purchase or lease of lottery equipment and materials, fixed capital outlays, and the payment of prizes to the holders of winning tickets or shares. After the start-up costs are paid, it is the intent of the legislature that it shall be the goal of the corporation to transfer each year thirty-five percent (35%) of gross revenues to the general fund for the purposes stated above.

(2) A Kentucky lottery trust account is established in the state treasury. Net lottery revenues shall be credited to this restricted account as provided in subsection (1) of this section. Moneys credited to the Kentucky lottery trust account shall be invested by the state in accordance with state investment practices and all earnings from such investments shall accrue to this account. No moneys shall be allotted or expended from this account unless pursuant to an appropriation by the general assembly, except that such moneys as are needed shall be transferred to the general fund pursuant to the provisions of **HB 5** and **HB 6** of the Extraordinary Session of the general assembly. Moneys in the Kentucky lottery trust account shall not lapse at the close of the state fiscal year.

(3) A financial postaudit of the books and records of the corporation shall be conducted annually by the auditor of public accounts. The postaudit shall be conducted in accordance with generally accepted accounting principles; shall be paid for by the corporation, and shall be completed within ninety (90) days of the close of the corporation's fiscal year. The auditor of public accounts shall contract with an independent, certified public accountant who meets the qualifications existing to do business within the Commonwealth of Kentucky to perform the corporation postaudit. The auditor of public accounts shall remain responsible for the annual postaudit and the corporation shall pay all audit costs. The auditor of public accounts may, at any time, conduct such additional audits, including performance audits, of the corporation as he deems necessary or desirable. Contracts may be entered into for audit services for a period not to exceed five (5) years and the same firm shall not receive two (2) consecutive audit contracts. All such audits shall be filed with the governor, the president pro tempore of the senate, and the speaker of the house of representatives. The corporation shall reimburse the auditor of public accounts for the actual costs of any audits performed by him. The corporation shall cooperate with the auditor of public accounts by giving employes designated by any of them access to facilities of the corporation for the purpose of efficient compliance with their respective responsibilities. With respect to any reimbursement that the corporation is required to pay to any agency, the corporation may enter into an agreement with such agency under which the corporation shall pay to such agency an amount reasonably anticipated to cover such reimbursable expenses in advance of such expenses being incurred.

SECTION 20. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The corporation is hereby authorized to accept and expend such moneys as may be appropriated by the general assembly or such moneys as may be received from any source including income from the corporation's operations, for effectuating its corporate purposes including, without limitation, the payment of the initial expenses of administration and operation of the corporation and the lottery.

(2) After the initial transfer of any appropriated funds provided by this Act, the corporation shall be self sustaining and self funded and moneys in the state general fund shall not be used or obligated to pay the expenses of the corporation or prizes of the lottery and no claim for the payment of an expense of the lottery or prizes of the lottery shall be made against any moneys other than moneys credited to the corporate operating account established by this Act.

SECTION 21. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

The corporation shall not organize, participate in, or contribute to a political action committee, either directly or indirectly.

SECTION 22. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

The corporation shall not be prohibited from contracting with any business engaged in the horse racing industry; however, nothing in this Act shall mandatorily require the corporation to enter into such a contract.

SECTION 23. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

No person, partnership, unincorporated association, corporation, or other business entity selected to provide auditing services or a major procurement item to the corporation, nor the officers thereof, or a political action committee thereof or to which the person or organization contributes, shall have contributed to any statewide

candidate for political office in Kentucky or for any candidate for the general assembly for a period of three (3) years prior to the award of the contract, nor shall they do so during the period of the contract or for a period of three (3) years thereafter. The proscription relating to prior contributions shall not apply to contributions made before the effective date of this Act.

SECTION 24. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

Federally insured financial institutions may be utilized by the corporation to distribute lottery tickets to retailers.

SECTION 25. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) No person who receives goods, services, moneys, or rights having monetary value in excess of fifty dollars ($50) pursuant to any contract with the corporation, and no agent, officer, employe, shareholder, or partner of such person, shall pay money, service, or other thing of value, to or for the benefit of, any agent, officer, employe or director of the corporation or to any person having the authority to appoint or to confirm the appointment of any agent, officer, director, and employe of the corporation on account of, in consideration for, or to induce the corporation to enter into a contract.

(2) Any person violating subsection (1) of this Section is guilty of a Class D Felony.

Section 26. KRS 243.500 is amended to read as follows:

Any license issued under KRS 243.020 to 243.670 must be revoked or suspended for the following causes:

(1) Conviction of the licensee or his agent or employe for selling any illegal beverages on the premises licensed.

(2) Making any false, material statements in an application for a license.

(3) Violation of the provisions of KRS 243.670.

(4) If, within a period of two (2) consecutive years, any licensee or any of his clerks, servants, agents or employes shall have been convicted of two (2) violations of the terms and provisions of KRS Chapter 241, 243 or 244 or any act heretofore or hereafter in effect relating to the regulation of the manufacture, sale and transportation of alcoholic beverages or if, within such period, any licensee or any of his clerks, servants, agents or employes shall have twice been convicted of any felony or of any misdemeanor directly or indirectly attributable to the use of intoxicating liquors, or of one (1) such felony and one (1) such misdemeanor.

(5) Wilful and deliberate failure or default of a licensee to pay an excise tax or any part thereof, or any penalties imposed by or under the provisions of any statutes, ordinances or acts of congress relative to taxation, or for a violation of any rules or regulations of the revenue cabinet made in pursuance thereof.

(6) Revocation of any license or permit provided in KRS 243.060, 243.070, 243.600 and 243.610, or granted under any act of congress relative to the regulation of the manufacture, sale and transportation of alcoholic beverages. Any license issued under KRS 243.020 to 243.670 must be revoked or suspended in the case of sale of alcoholic beverages by the licensee at a price in excess of the price set by federal or state regulations.

(7) Setting up, conducting, operating or keeping, on the licensed premises, any gambling game, device, machine or contrivance, or lottery or gift enterprise, or handbook or facility for betting or transmitting bets on horse races; or permitting to be set up, conducted, operated, kept, or engaged in, on the licensed premises, any such game, device, machine, contrivance, lottery, gift enterprise, handbook or facility. *This section shall not apply to the sale of lottery tickets or shares sold under the provisions of this Act.*

(8) Conviction of the licensee, his agents, servants, or employes for:

(a) The sale or use upon the licensed premises of those items described in KRS 218A.050 to 218A.130 as controlled substances;

(b) Knowingly permitting the sale or use by patrons upon the licensed premises of those items described in KRS 218A.050 to 218A.130 as controlled substances.

Section 27. KRS 247.155 is amended to read as follows:

It shall be unlawful for any person to open, cause to be opened, carry on, conduct or operate as owner, proprietor or employe any gambling device or game of chance within the confines of the grounds of the Kentucky state fair. Any person who violates any provision of this section shall be fined not less than fifty dollars ($50.00) nor more than five hundred dollars ($500) for each offense. Each day in which a gambling device or game of chance is so operated shall be considered a separate offense. *This section shall not apply to the sale of lottery tickets or shares sold under the provisions of this Act.*

Section 28. KRS 247.160 is amended to read as follows:

(1) The state fair board shall have exclusive control of concessions, exhibitions, shows, entertainments and attractions at any place on the state fairgrounds and exhibition center and may, in the discretion of the board, operate any or all of such concessions, exhibitions, shows, entertainments and attractions, but the board shall not allow the operation of any gambling device or game of chance therein. It may delegate such control or operation to any of its employes or agents, or to an executive committee. *This section shall not apply to the sale of lottery tickets or shares sold under the provisions of this Act.*

(2) The state fair board shall have a prior lien upon the property of any concessionaire, exhibitor or person, immediately upon its coming or being brought on the grounds, or the center, to secure existing or future indebtedness.

(3) Any designated employe or agent of the state fair board may sell the property to satisfy the indebtedness after giving ten (10) days' notice to the owner or agent of the owner or, if notice cannot be given to the owner, after a notice is posted for ten (10) days in the office of the state fair board on the grounds, announcing that the property is to be sold. The state fair board, through its designated agent, may bid and buy in the property offered for sale for the use and benefit of the state fair.

SECTION 29. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) Any person who knowingly sells a lottery ticket to a person under eighteen (18) years of age shall be fined not less than one hundred dollars ($100) nor more than five hundred dollars ($500) for the first offense and for each subsequent offense not less than two hundred dollars ($200) nor more than five hundred dollars ($500) and may be imprisoned for not more than ninety (90) days.

(2) Any person who violates the provisions of subsection (1) of Section 14 of this Act for the first offense shall be fined not less than one hundred dollars ($100) nor more than five hundred dollars ($500) and for each subsequent offense shall be fined not less than two hundred dollars ($200) nor more than two thousand dollars ($2,000) and may be imprisoned for not more than ninety (90) days.

(3) Any person who violates the provisions of subsection (4) of Section 8 of this Act shall be fined not less than one thousand dollars ($1,000) nor more than ten thousand dollars ($10,000).

(4) Any person who violates the provisions of subsection (2) of Section 3 of this Act shall be fined not less than five thousand dollars ($5,000) nor more than fifty thousand dollars ($50,000).

(5) Any person who violates the provisions of subsection (3) of Section 8 of this Act shall be fined not less than one thousand dollars ($1,000) nor more than ten thousand dollars ($10,000).

(6) Any person who violates the provisions of subsection (2) of Section 8 of this Act shall be fined not less than five thousand dollars ($5,000) nor more than fifty thousand dollars ($50,000) and shall be guilty of a class D felony.

(7) Any person who willfully violates the provisions of subsection (1) of Section 12 of this Act or who does not segregate and keep separate and apart from all other funds and assets all proceeds from the sale of lottery tickets received by a person in the capacity of a lottery retailer shall be fined not less than one thousand dollars

($1,000) nor more than ten thousand dollars ($10,000) and shall be guilty of a class D felony.

(8) Any person who, with intent to defraud, falsely makes, alters, forges, utters, passes or counterfeits a state lottery ticket or share shall be guilty of a class C felony.

(9) Any person who influences or attempts to influence the winning of a prize through the use of coercion, fraud, deception or tampering with lottery equipment or materials shall be guilty of a class B felony.

Section 30. The sum of six million dollars ($6,000,000) is hereby appropriated from the general fund to the Kentucky state lottery corporation. Said sum shall be used for operating expenses of the corporation during the fiscal year 1988-89. The corporation shall repay to the general fund the amount appropriated with interest, at a rate equivalent to the average investment yield of the general fund at the time funds are disbursed to the corporation, with such repayment to be no later than June 30, 1989.

Section 31. 277.260 - Ejection from train for offensive conduct or language or for gambling, is repealed. KRS 436.420 - Advertising lotteries in newspapers and magazines, is repealed.

Section 32. Whereas the people of Kentucky have proven their desire for a lottery by their approval of a constitutional amendment and whereas any delay in the implementation of the lottery will result in lost revenues to the Commonwealth, an emergency is declared to exist, and this Act shall become effective upon passage and approval by the governor.

Adjournment

Representative Stumbo moved that the House adjourn until 2:00 p.m., Wednesday, December 7, 1988.

The motion that the House adjourn was adopted by voice vote.

WEDNESDAY, DECEMBER 7, 1988

EIGHTH LEGISLATIVE DAY

The House was called to order by Speaker Blandford.

Prayer by John A. Hampton, Northern Heights Christian Church, Lexington, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Deskins, Heleringer, Johnson, Little, Overstreet, and B. Richardson.

Representative McElroy moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative McElroy moved that the reading of the Journal of December 6, 1988 be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HR 23, by Representatives Callahan, Donnermeyer, Kerr, McBee, Crupper, K. Harper, Reinhardt, Walker, Barrows and Noe: A RESOLUTION honoring State Representative Joseph U. Meyer.

Senate Message

Announcing passage of **SB 2**.

Reference of Bills and Resolutions

The Clerk reported the Committee on Committees has referred the following Bill:

State Government: **HB 7**.

Calendar

HB 1 taken from the Calendar and ordered read at length for the second time. Representative Stumbo moved that it be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Recess

Representative Stumbo moved that the House recess for five minutes for a meeting of the Committee on Rules. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Representative Stumbo moved that the rules be suspended for a report of Committees. Agreed.

The Committee on Rules reported **HB 1** has been posted for passage in Orders of the Day, December 8, 1988.

Motions, Petitions and Communications

Representative Callahan moved the rules be suspended to act upon a Resolution. Agreed.

Representative Callahan moved the adoption of the following **HR 23**:

HR 23, A RESOLUTION honoring State Representative Joseph U. Meyer.

With fond memories we bid farewell to our friend and colleague, the distinguished gentleman from Kenton 65.

WHEREAS, Representative Joseph U. Meyer has been a member of this distinguished body since 1982, and has ably served as Chairman of the House Cities Committee since 1985; and

WHEREAS, representing the 65th House District, Joseph Urban Meyer has been a concerned and dedicated servant of the citizens of Kenton County; and

WHEREAS, during his tenure in the General Assembly Joe Meyer has been a faithful and ardent advocate for local governments; and

WHEREAS, Joe Meyer has tirelessly channeled his talents and energies into passing legislation to meet the many needs of cities and counties across the breadth of this great Commonwealth; and

WHEREAS, Joe Meyer has been a diligent member of the Banking and Insurance Committee from 1982 until 1987 and has served on the Judiciary-Civil Committee since 1982; and

WHEREAS, the contributions of Joseph U. Meyer to the Administrations Regulations Review Subcommittee have been immeasurable; and

WHEREAS, Joseph U. Meyer was elected to the 23rd State Senatorial District by the citizens of Kenton and Pendleton Counties;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of this prestigious body do hereby extend their congratulations to Joseph U. Meyer upon the occasion of becoming a State Senator.

Section 2. That the members of the House appreciate the countless hours of selfless service and sage wisdom given to this body by our departing seatmate Joe Meyer.

Section 3. That we do hereby bid farewell to our friend Representative Joe Meyer and do hereby bestow upon Senator Joe Meyer our best wishes for continued future successes.

Representative Callahan moved that a call of the roll be taken on **HR 23**. Agreed.

On the roll call the vote was: Yeas 1, Nays 90. (See December 7, 1988 roll call on **HR 23** - Appendix A.)

HR 23 was rejected.

Representative Cline moved that the Rules be suspended for the purpose of making a motion concerning co-sponsors. Agreed.

Representative Cline moved that all properly filed co-sponsor requests be approved. Agreed.

The following member filed a request to have her name added as co-sponsor of Bills and Resolutions:

HB 5, Representative Freibert.

Representative Barrows moved the rules be suspend to introduce and act upon a Resolution. Agreed.

HR 24, by Representatives Barrows, Moberly, Noe, Preston, Turner, Napier and Maggard: A RESOLUTION adjourning the House of Representatives in memory and honor of Roy Orbison.

Representative Barrows moved the adoption of the following **HR 24**:

HR 24, A RESOLUTION adjourning the House of Representatives in memory and honor of Roy Orbison.

WHEREAS, Roy Orbison nobly formed his musical roots in Texas with The Wink Westerners and the Teen Kings, and the haunting rhythm of his agonizing loneliness legitimized the use of strings in rock and roll; and

WHEREAS, Roy Orbison has slipped away from the bonds of this earthly melody and has hung up his rock and roll shoes forever; and

WHEREAS, Roy Orbison has joined Janice, Bobby, Jimmy, John and all the principalities and dominions of angelic sound in that golden groove yard of treasured hits, where blasts from the past announce the future; and

WHEREAS, Roy Orbison has left us with the memory of his pretty woman and the candy covered sandman; and

WHEREAS, those of us who admire this giant of rock know that he may be gone from the charts, but shall never be gone from our hearts; and

WHEREAS, the millions and millions of rock and rollers who silently express their sorrow over the passing of a legend are prone to say that we are running scared and feel of life that it's over; and

WHEREAS, the voice is stilled but the memory lingers and only the lonely are crying;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body does express its sincere sense of loss upon the untimely passing of Roy Orbison.

Section 2. That when the House of Representatives of the General Assembly of the Commonwealth of Kentucky does adjourn this day, Wednesday, December 7, 1988, it does so in memory and honor of Roy Orbison.

Section 3. That the Clerk of the House is hereby directed to transmit a copy of this resolution to the Rock and Roll Hall of Fame, Cleveland, Ohio.

HR 24 was adopted by voice vote.

Representative K. Harper moved the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 25, by Representatives K. Harper, Walker, Reinhardt, Kerr, Callahan, Donnermeyer, Meyer and McBee: A RESOLUTION honoring the 1988 Class AAA Football Champions, the Covington Catholic Colonels.

Representative K. Harper moved the adoption of the following **HR 25**:

HR 25, A RESOLUTION honoring the 1988 Class AAA Football Champions, the Covington Catholic Colonels.

WHEREAS, the Colonels of Covington Catholic High defeated a worthy Paducah Tilghman team 30-

24, in a thrilling overtime contest, and thereby captured the AAA football crown; and

WHEREAS, it took a determined team effort to overcome a 17-3 deficit and push on to victory; and

WHEREAS, the Colonels' championship season is the product of the talents and dedication of exceptional players and an outstanding coaching staff; and

WHEREAS, this is the second consecutive AAA Football Championship for the Covington Catholic Colonels;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House salutes this championship team and its fine coaches.

Section 2. That a copy of this resolution be sent to coach Lynn Ray, Covington Catholic High School, 1600 Dixie Highway, Covington, Kentucky.

HR 25 was adopted by voice vote.

Representative Scorsone moved the rules be suspended to act upon a Legislative Citation. Agreed.

Representative Scorsone moved the adoption of Legislative Citation No. 6. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby honors and commends PICADOME ELEMENTARY SCHOOL PARENT-TEACHER ASSOCIATION for giving selflessly of their time and energy to constructing the Picadome Creative Playground. True community spirit was shown as Lexingtonians from all walks of life pulled together under severe time constraints and adverse weather conditions to answer the needs of the children in their area.

This prestigious body joins Representative Ernesto Scorsone in applauding the Picadome Elementary School Parent-Teacher Association's fine achievement. (Sponsored by Representative Scorsone)

Representative Callahan moved the rules be suspended to act upon a Resolution. Agreed.

Representative Callahan moved that the vote by which **HR 23** was rejected be reconsidered. Agreed.

Representative Callahan moved the adoption of **HR 23**.

On the roll call the vote was: Yeas 89, Nays 1. (See December 7, 1988 roll call on **HR 23** - Appendix A.)

HR 23 was adopted.

Representative Stumbo moved the House stand at ease to allow the filing of Floor Amendments. Agreed.

Announcements

The Clerk announced the filing of the following Floor Amendments to Bills and Resolutions:

Floor Amendment No. 2 to the Committee Substitute to **HB 1** - by Representative A. Jones:

Amend printed copy of House Committee Substitute to **HB 1**:

On page 44, between lines 3 and 4, to insert the following:

"Section 26. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) No natural person, partnership, unincorporated association, corporation, or other business entity shall be selected as a lottery retailer or as a vendor to the corporation who:

(a) Has been convicted of a felony in this or any other jurisdiction, unless at least ten (10) years have passed since satisfactory completion of the sentence or probation imposed by the court for each felony;

(b) Has been convicted of any illegal gambling activity in this or any other jurisdiction;

(c) Has been found to have violated the provisions of this act, administrative regulation, or any rule adopted hereunder;

(d) Is a vendor or retailer (as appropriate) or an employe or agent of such person, doing business with the corporation;

(e) Resides in the same household of an officer of the corporation; or

(f) Has made a statement of material fact to the corporation, knowing such statement to be false.

(2) For a partnership to be selected as a lottery retailer, the partnership must meet the requirements of subsections (1)(a) through (1)(f) and each partner must meet the requirements of subsections (1)(a) through (1)(f).

(3) For a corporation to be selected as a lottery retailer, the corporation must meet the requirements of subsections (1)(a) through (1)(f) and each officer and director and each stockholder who owns five percent (5%) or more of the stock of such corporation must meet the requirements of subsections (1)(a) through (1)(f).

(4) For unincorporated association to be selected as a lottery retailer, the association must meet the requirements of subsections (1)(a) through (1)(f) and each officer and director must meet the requirements of subsections (1)(a) through (1)(f).

(5) Any person or other organization barred from a contract under subsections (1) through (4) may receive a contract if the corporation determines that:

(a) A natural person who has been barred has received a pardon for any conviction resulting in being barred under subsection (1)(a) or (1)(b) of this section.

(b) If the barred organization is a firm, association, partnership, trust, corporation, or other entity, the organization has terminated its relationship with the individual whose actions directly contributed to the organization's guilt, and subsequent to such findings of guilt the organization has engaged in the kind of law-abiding commerce and good citizenship that would reflect well upon the integrity of the lottery.

And on page 20, lines 1 through 19, to delete the same;

And on page 20, line 20, to delete "*(10)*" and to insert "*(9)*";

And on page 20, line 24, to place "*and*" after "*(8)(d),*" and to delete "*and (9)(a) through (9)(f)*";

And on page 20, line 25, to delete "*(11)*" and to insert "*(10)*";

And on page 21, line 4, to place "*and*" after "*(8)(d)*";

And on page 21, line 5, to delete "*and (9)(a) through (9)(f)*";

And on page 21, line 6, to delete "*(12)*" and to insert "*(11)*";

And on page 21, line 10, to place "*and*" after "*(8)(d)*" and a period after "*(8)(e)*";

And on page 21, line 11, to delete the same;

And on page 21 to renumber the remaining subsections as appropriate;

And on page 34, lines 15 through 26, to delete the same;

And on page 35, lines 1 and 2, to delete the same;

And on page 34 and ensuing pages to redesignate the subsections as appropriate;

And on page 44 and ensuing pages to renumber the sections as appropriate.

Floor Amendment No. 3 to the Committee Substitute to **HB 1** by Representative A. Jones:

On page 20, line 17, following "*false*" to insert a period "." and to delete "*; unless*";

and on page 20, lines 18 and 19, to delete the same.

Floor Amendment No. 4 to the Committee Substitute to **HB 1**, by Representative Johnson:

On page 37, after line 8, by inserting the following language:

"*(3)(a) The corporation may procure advertising services for the purpose of reasonably informing the public concerning:*

1. The type or types of lottery games to be conducted;

2. The price or prices of lottery tickets;

3. The numbers and sizes of prizes on the winning tickets;

4. The manner of selecting winning tickets;

5. The manner of payment of prizes to the holders of winning tickets;

6. The frequency of the drawings or selections of winning tickets; and

7. Without limitation as to number, the type or types of locations at which tickets may be sold.

(b) The corporation may also advertise the fact that the net proceeds will be paid into the general fund. However, no funds shall be expended for the primary purpose of inducing persons to participate in the lottery. All advertisements shall be cognizant of the integrity of the lottery, the dignity of the Commonwealth and the general welfare of its citizens.".

Floor Amendment No. 5 to the Committee Substitute to **HB 1**, by Representative Gray:

On page 50, between lines 8 and 9, to insert the following:

"Section 32. There is hereby appropriated to the corrections cabinet the sum of $2,600,000 for the purpose of placing all correctional officers employed by the corrections cabinet in the hazardous duty position retirement plan authorized by KRS 61.592."; and

on page 50, line 9, delete "32" and to insert in lieu thereof "33"; and

Floor Amendment No. 6 to the Committee Substitute to **HB 1**, by Representative Callahan:

On page 2, line 10, by inserting *"(1)"*; and

On page 3, after line 2, by inserting the following language:

"(2) The headquarters for the corporation shall be located in northern Kentucky.".

Floor Amendment No. 7 to the Committee Substitute to **HB 1**, by Representative Long:

On page 10, line 2, by deleting the word "a".

On page 10, line 2, by deleting the word "item" and inserting in lieu thereof, *"items"*.

Floor Amendment No. 8 to the Committee Substitute to **HB 1**, by Representative Morris:

And on page 3, line 26, by deleting *"may"* and inserting in lieu thereof *"shall"*;

And on page 4, line 17, by deleting *"may"* and inserting in lieu thereof *"shall"*;

And on page 8, line 10, by deleting *"may"* and inserting in lieu thereof *"shall"*;

And on page 16, line 3, by deleting *"may"* and inserting in lieu thereof *"shall"*;

And on page 16, line 16, by deleting *"may"* and inserting in lieu thereof *"shall"*;

And on page 19, line 6, by deleting *"may"* and inserting in lieu thereof *"shall"*;

And on page 19, line 10, by deleting *"must"* and inserting in lieu thereof *"shall"*;

And on page 20, line 21, by deleting *"must"* and inserting in lieu thereof *"shall"*;

And on page 20, line 23, by deleting *"must"* and inserting in lieu thereof *"shall"*;

And on page 20, line 26, by deleting *"must"* and inserting in lieu thereof *"shall"*;

And on page 21, line 4, by deleting *"must"* and inserting in lieu thereof *"shall"*;

And on page 21, line 7, by deleting *"must"* and inserting in lieu thereof *"shall"*;

And on page 21, line 9, by deleting *"must"* and inserting in lieu thereof *"shall"*;

And on page 21, line 13, by deleting *"may"* and inserting in lieu thereof *"shall"*;

And on page 22, line 11, by deleting *"may"* and inserting in lieu thereof *"shall"*;

And on page 26, line 25, by deleting *"may"* and inserting in lieu thereof *"shall"*;

And on page 28, line 9, by deleting *"may"* and inserting in lieu thereof *"shall"*;

And on page 28, line 24, by deleting *"may"* and inserting in lieu thereof *"shall"*;

And on page 29, line 10, by deleting *"may"* and inserting in lieu thereof *"shall"*;

And on page 29, line 20, by deleting *"may"* and inserting in lieu thereof *"shall"*;

And on page 29, line 26, by deleting "*may*" and inserting in lieu thereof "*shall*";

And on page 30, line 5, by deleting "*must*" and inserting in lieu thereof "*shall*";

And on page 30, line 12, by deleting "*may*" and inserting in lieu thereof "*shall*";

And on page 31, line 10, by deleting "*may*" and inserting in lieu thereof "*shall*";

And on page 32, line 1, by deleting "*may*" and inserting in lieu thereof "*shall*";

And on page 33, line 11, by deleting "*must*" and inserting in lieu thereof "*shall*";

And on page 34, line 3, by deleting "*may*" and inserting in lieu thereof "*shall*";

And on page 34, line 8, by deleting "*may*" and inserting in lieu thereof "*shall*";

And on page 34, line 15, by deleting "*may*" and inserting in lieu thereof "*shall*";

And on page 36, line 3, after "*securities*" by deleting "*must*" and inserting in lieu thereof "*shall*" and after "*and*" by deleting "*must*" and inserting in lieu thereof "*shall*";

And on page 36, line 20, by deleting "*may*" and inserting in lieu thereof "*shall*";

And on page 40, line 25, by deleting "*may*" and inserting in lieu thereof "*shall*";

And on page 41, line 13, by deleting "*may*" and inserting in lieu thereof "*shall*".

Floor Amendment No. 9 to the Committee Substitute to **HB 1**, by Representative Blevins:

On page 18, line 25, after the number "(5)" by inserting the following:

"*No lottery retailer certificate shall be issued for any premises located within two hundred (200) feet of a building used primarily as a church or school. The measurement shall be taken in a straight line from the nearest outside wall of the church or school.*"; and

By renumbering subsequent sections and subsections according.

Floor Amendment No. 10 to the Committee Substitute to **HB 1**, by Representative Morris:

On page 45, line 4, after "any" by inserting "*administrative*" and by placing brackets around and striking through "rules or";

And on page 50, between lines 8 and 9, by inserting;

Section 32. The reviser of statutes shall, with the exception of pages 7, 28, 29, and 45, whenever the word "*rule*" appears change it so as to read "*administrative regulation*" and whenever the word "*rules*" appears change it so as to read "*administrative regulations*";

And on 50, line 9, after "Section" by deleting "32." and inserting in lieu thereof "33.".

Floor Amendment No. 11 to the Committee Substitute to **HB 1**, by Representative B. Smith:

On page 3, line 7, after "*senate.*" by inserting "*One (1) member of the board of directors shall be appointed from each of the seven (7) congressional districts within the commonwealth.*".

Floor Amendment No. 12 to the Committee Substitute to **HB 1**, by Representative Hancock:

Amend printed copy of House Committee Substitute to **HB 1**:

On page 15, line 13, by deleting the period "." and by inserting the following after "*employes*": "*who are not in the classified service established by KRS Chapter 18A. Effective July 1, 1990, all positions of employment in the corporation, except for positions at the level of division head and above and such other positions as may be expressly exempted by statute, shall be included in the classified service and subject to the provisions of KRS Chapter 18A. Employes holding positions that are placed in the classified service may continue in their respective positions and attain status in the classified service without serving a probationary period if, by July 1, 1991, they pass a qualifying examination prescribed by the commissioner of personnel in consultation with the corporation. The corporation shall report to the 1990 Regular Session of the General Assembly any positions below the level of division head that it wants the General Assembly to exempt from the classified service and the justification for each such exemption.*"; and

On page 15, line 14, by placing a period "." after "*plans*" and by deleting "*and*"; and

On page 15, line 15, by deleting "*shall provide a retirement plan.*" and by inserting in lieu thereof the following: "*The employes of the corporation shall be included in the membership of the Kentucky employes retirement system, and the corporation shall be a participating department and employer for purposes of KRS 61.510 to 61.705.*"; and

On page 15, line 16, by inserting after "*corporation*" the words "*who are not in the classified service*"; and

On page 15, line 17, by inserting after "*benefits.*" the following: "*In establishing the compensation and benefits of those employes whose positions will be included in the classified service effective July 1, 1990, the president shall do so in a manner that facilitates their transition to the classified service.*"; and

On page 15, line 18, by inserting after "*employes*" the words "*who are not in the classsified service*".

Floor Amendment No. 13 to the Committee Substitute to **HB 1**, by Representative LeMaster:

Amend printed copy of House Committee Substitute to **HB 1**:

On page 5, line 6, by inserting "*first*" before "*president*"; and

On page 5, line 12, by deleting "*for a period of two (2) years*"; and

On page 5, line 16, by inserting after "*nomination.*" the following: "*When the first president of the corporation vacates or is removed from the position of president, the board of directors shall thereafter employ the president of the corporation.*"

Floor Amendment No. 14 to the Committee Substitute to **HB 1**, by Representative J. Harper:

Amend printed copy of House Committee Substitute to **HB 1**:

On page 34, by deleting lines 21 through 24; and

On page 34, line 25, by deleting "*(c)*" and inserting in lieu thereof "*(b)*".

Floor Amendment No. 15 to the Committee Substitute to **HB 1**, by Representative Ackerson:

Amend printed copy of House Committee Substitute to **HB 1**:

On page 44, after line 3 and before line 4, by inserting the following:

"SECTION 26. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

The attorney general shall possess jurisdiction, concurrent with that of county and Commonwealth attorneys, to investigate and prosecute violations of KRS Chapter 154A."; and

To renumber the remaining sections of the bill accordingly.

Adjournment

Representative Stumbo moved that the House adjourn until 10:00 a.m., Thursday, December 8, 1988.

On the roll call the vote was yeas 82—Ackerson, Adams, Adkins, Allen, Altman, Ark, Arnold, Ballard, Blandford, Blevins, Bronger, J. Brown, Bruce, Burch, Callahan, Casebier, Castleman, L. Clark, P. Clark, Cline, Crupper, Curd, Cyrus, Donnermeyer, Farrow, Ford, Freibert, Gedling, Geveden, Gray, Gregory, Handy, J. Harper, K. Harper, Hatcher, Hoover, Jackson, A. Jones, R. Jones, T. Jones, Keith, Kerr, Layman, Lear, Lefevers, Lile, Long, Lundergan, Lyne, Mack, Maggard, McBee, McElroy, Meyer, Moberly, Morris, Napier, Nett, Noe, Noland, Northup, O'Brien, Priddy, Rapier, Reinhardt, P. Richardson, Ridley, Riner, Robinson, Scorsone, Seum, Siler, B. Smith, Strong, Stumbo, Todd, Turner, Walker, White, Will, Worthington, Yates. Nays 4—Guenthner, Hancock, LeMaster, Preston.

The motion to adjourn was adopted.

THURSDAY, DECEMBER 8, 1988

NINTH LEGISLATIVE DAY

The House was called to order by Speaker Blandford.

Prayer by Representative Paul Clark.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives B. Richardson and Johnson.

Representative McElroy moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative McElroy moved that the reading of the Journal of December 7, 1988 be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HR 26, by Representative P. Clark: A RESOLUTION honoring Representative Dan Seum.

HR 27, by Representatives Guenthner and L. Clark: A RESOLUTION honoring the undefeated Shamrocks of Louisville's Trinity High School.

HR 28, by Representatives Bruce and Morris: A RESOLUTION requesting the appointment of Louie B. Nunn as Deputy Secretary of the U. S. Department of Agriculture.

HR 29, by Representatives Burch, Cyrus, L. Clark, Yates, Priddy, Gray, Nett, P. Clark, Seum, Riner, Bronger, Hatcher and O'Brien: A RESOLUTION honoring Kenneth G. Cassady.

Reference of Bills and Resolutions

The Clerk reported the Committee on Committees has referred the following Bill:

Appropriations and Revenue: **SB 2.**

Orders of the Day

HB 1, with Committee Substitute and Floor Amendments attached thereto, taken from the Orders of the Day and ordered read at length for the third time. Representative Stumbo moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Stumbo moved the adoption of the Committee Substitute to **HB 1**. Agreed.

Representative Morris moved the adoption of Floor Amendment No. 10 to the Committee Substitute to **HB 1**. Agreed.

Representative J. Harper moved the adoption of Floor Amendment No. 14 to the Committee Substitute to **HB 1**. Rejected.

Representative Hancock moved the adoption of Floor Amendment No. 12 to the Committee Substitute to **HB 1**. Rejected.

Representative Ackerson moved the adoption of Floor Amendment No. 15 to the Committee Substitute to **HB 1**. Rejected.

Representative Stumbo moved that **HB 1**, by way of Committee Substitute as amended, be passed.

On the roll call the vote was: Yeas 90, Nays 5. (See December 8, 1988 roll call on **HB 1** - Appendix A.)

HB 1, by way of Committee Substitute as amended, was passed and the title agreed to.

Representative Stumbo moved that the vote by which **HB 1**, by way of Committee Substitute as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Motions, Petitions and Communications

Representative Stumbo moved that the rules be suspended for Introduction of Resolutions and Posting of Bills and Resolutions for Consideration. Agreed.

Posting of Bills and Resolutions for Consideration

The Clerk announced the following Bill has been posted for Committee consideration:

Appropriations and Revenue: **SB 2**.

Representative Bruce moved the rules be suspended to act upon a Resolution. Agreed.

Representative Bruce moved the adoption of the following **HR 28**:

HR 28, A RESOLUTION requesting the appointment of Louie B. Nunn as Deputy Secretary of the U.S. Department of Agriculture.

WHEREAS, Louie B. Nunn is a former Republican Governor of the Commonwealth of Kentucky; and

WHEREAS, it is recognized that the newly elected Republican presidential administration will be seeking talented Republicans to fill key appointive positions; and

WHEREAS, Louie B. Nunn is a highly regarded statesman of the Commonwealth of Kentucky; and

WHEREAS, Louie B. Nunn has an outstanding record of public service, including serving as Governor, county judge, and city attorney; and

WHEREAS, Mr. Nunn knows agriculture because he owns and manages a farm; and

WHEREAS, his wealth of experience and knowledge would be valuable in encouraging federal, state and local government efforts to enhance the nation's agriculture;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That President-elect George Bush is respectfully requested to appoint Louie B. Nunn as Deputy Secretary of the U.S. Department of Agriculture.

Section 2. That a copy of this resolution be sent to President-elect Bush, Mr. Louie B. Nunn, Governor Wallace G. Wilkinson, and Kentucky's Congressional Delegation.

HR 28 was adopted by voice vote.

Representative P. Clark moved the rules be suspended to act upon a Resolution. Agreed.

Representative P. Clark moved the adoption of the following **HR 26**:

HR 26, A RESOLUTION honoring Representative Dan Seum.

WHEREAS, Dan Seum has ably served the Commonwealth as representative of the thirty-eighth district from 1982 through 1988; and

WHEREAS, Dan Seum was named 1977 Democrat of the Year and has unselfishly dedicated many hours serving as past President of the Southland Democratic Club in Louisville and Vice President of Kenwood Optimist Club; and

WHEREAS, Dan Seum received a Certificate of Merit from the Louisville Board of Aldermen; and

WHEREAS, Dan Seum is a graduate of the National Guard Officers' Candidate School; and

WHEREAS, on January 3, 1989, Dan Seum will be sworn-in as the distinguished Senator from the thirty-seventh district; and

WHEREAS, the Commonwealth has benefitted from the tireless efforts of Dan Seum;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives extends best wishes to our distinguished colleague, Dan Seum, and expresses its deep sense of appreciation for the outstanding contributions he has made on behalf of his community.

Section 2. That when the House of Representatives adjourns this day, Wednesday, December 7, 1988, it does so in honor of Representative Dan Seum.

Section 3. That the Clerk of House of Representatives is directed to transmit a copy of this resolution to Representative Dan Seum, 326 E. Esplanade, Louisville, Kentucky, 40214.

HR 26 was adopted by voice vote.

Representative P. Clark moved that a call of the roll be taken to show co-sponsors of **HR 26**. Agreed.

The following members requested their names be added as co-sponsors of **HR 26**: Adams, Adkins, Altman, Ark, Arnold, Ballard, Barrows, Blandford, Blevins, Bronger, J. Brown, Bruce, Burch, Callahan, Casebier, Castleman, L. Clark, P. Clark, Cline, Crupper, Cyrus, Donnermeyer, Farrow, Ford, Gedling, Geveden, Gray, Hancock, Handy, J. Harper, K. Harper, Hatcher, Heleringer, Hoover, Hourigan, Jackson, A. Jones, T. Jones, Keith, Kerr, Layman, Lear, Lefevers, LeMaster, Lile, Little, Long, Lundergan, Mack, Maggard, Mason, McBee, McElroy, Meyer, Moberly, Morris, Napier, Nett, Noe, Noland, Northup, O'Brien, Preston, Priddy, Pritchett, Rapier, Reinhardt, Richards, P. Richardson, Ridley, Riner, Robinson, Scorsone, Siler, B. Smith, Strong, Stumbo, Todd, Walker, White, Yates.

Representative Burch moved the rules be suspended to act upon a Resolution. Agreed.

Representative Burch moved the adoption of the following **HR 29**:

HR 29, A RESOLUTION honoring Kenneth G. Cassady.

WHEREAS, Kenneth G. Cassady is retiring from General Electric after thirty-three years of devoted service; and

WHEREAS, Kenneth G. Cassady was a model employe and always performed his job with pride and

integrity; and

WHEREAS, Kenneth G. Cassady has been a member of the International Union of Electronic Workers (IUE) during his entire thirty-three year career with General Electric; and

WHEREAS, Kenneth G. Cassady has been a distinguished leader in the labor movement in Kentucky having served as: President of Local 761, IUE, for six terms beginning in 1971 and continuing until 1988; Board member of District 7, IUE from 1973 until 1975; Vice-President of District 7, IUE from 1975 until his retirement in 1988; and, Board member of the IUE International Executive Board from 1975 until his retirement in 1988; and,

WHEREAS, Kenneth G. Cassady served on the General Electric - IUE Negotiating Committee from 1971 until his retirement in 1988; and

WHEREAS, Kenneth G. Cassady's efforts on behalf of labor have earned him the respect and admiration of his colleagues and all working people in the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives honor and commend the distinguished career of Kenneth G. Cassady and extend to Mr. Cassady its warmest best wishes for the future.

Section 2. That a copy of this resolution be sent to Kenneth G. Cassady.

HR 29 was adopted by voice vote.

Representative J. Harper moved the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 30, by Representative J. Harper: A RESOLUTION urging the Secretary of Transportation to install signs at the two Frankfort I-64 exits, designating those exits as being the correct ones to utilize when visiting the State Capitol Building.

Representative J. Harper moved the adoption of the following **HR 30**:

HR 30, A RESOLUTION urging the Secretary of Transportation to install signs at the two Frankfort I-64 exits, designating those exits as being the correct ones to utilize when visiting the State Capitol Building.

WHEREAS, the current signs at these exits do not afford visitors to Frankfort the directions to easily gain access to the Capitol, the Governor's Mansion, and the Capitol grounds; and

WHEREAS, more descriptive signs at these exits would not only be more helpful to travelers, but they would also inform tourists that Kentucky's Capitol may be accessed from these exits; and

WHEREAS, the lack of proper signing often causes travelers to miss the Capitol exits when traveling to or through central Kentucky; and

WHEREAS, directional signing to the Capitol and grounds is also needed within the city limits of Frankfort; and

WHEREAS, the city of Frankfort, through its many tourist attractions and obvious historical sites would benefit from a more descriptive set of signs giving directions to the Capitol and adjacent Capitol Buildings, Grounds, Floral Clock and Governor's Mansion;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Secretary of Transportation be urged to install signs at Exits 53 and 58 for east and west bound traffic, and any other directional signs as needed along the route, to designate these exits as being the routes to follow to expeditiously reach the Capitol.

Section 2. That copies of this resolution be sent to the Governor, the Secretary of Transportation, the Secretary of the Tourism Cabinet and the Chief District Engineer of District 5.

HR 30 was adopted by voice vote.

Representative Cline moved that the Rules be suspended for the purpose of making a motion concerning co-sponsors. Agreed.

Representative Cline moved that all properly filed co-sponsor requests be approved. Agreed.

The following members filed requests to have their names added as co-sponsors of Bills and Resolutions:

HB 5, Representatives Little, Robinson; **HR 27**, Representatives Ackerson, Heleringer, Northup; **HR 28**, Representatives Ford, Freibert, J. Harper, Lefevers, Napier, Noland, Robinson, White.

Adjournment

Representative Stumbo moved that the House adjourn until 10:00 a.m., Friday, December 9, 1988.

On the roll call the vote was yeas 81— Adams, Adkins, Allen, Altman, Ark, Arnold, Ballard, Blandford, Blevins, J. Brown, M. Brown, Bruce, Burch, Callahan, Casebier, Castleman, L. Clark, P. Clark, Cline, Crupper, Curd, Cyrus, Donnermeyer, Farrow, Ford, Freibert, Gedling, Geveden, Gray, Gregory, Hancock, Handy, J. Harper, K. Harper, Hatcher, Hoover, Hourigan, Jackson, A. Jones, T. Jones, Keith, Kerr, Layman, Lear, Lefevers, Lile, Little, Mack, Maggard, Mason, McBee, McElroy, Meyer, Moberly, Napier, Nett, Noe, Noland, Northup, O'Brien, Preston, Priddy, Pritchett, Rapier, P. Richardson, Ridley, Riner, Robinson, Scorsone, Seum, Siler, B. Smith, R. Smith, Stumbo, Todd, Turner, Walker, White, Will, Worthington, Yates. Nays 3—Bronger, Heleringer, LeMaster.

The motion to adjourn was adopted.

FRIDAY, DECEMBER 9, 1988

TENTH LEGISLATIVE DAY

The House was called to order by Speaker Blandford.

Prayer by Dr. Billy Hurt, First Baptist Church, Frankfort, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Ackerson, Adams, J. Brown, Burch, Cline, Deskins, Ford, Geveden, Gregory, Guenthner, Heleringer, Hoover, A. Jones, R. Jones, Keith, Little, Lundergan, Lyne, Maggard, Moberly, Napier, Noland, Overstreet, B. Richardson, Ridley, R. Smith, Todd, Walker and Will.

Representative McElroy moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative McElroy moved that the reading of the Journal of December 8, 1988 be dispensed with and the same approved. Agreed.

Representative Stumbo moved the rules be suspended to allow the Committee on Appropriations and Revenue to meet during recess to take action on **SB 2**. Agreed.

Representative Blevins moved the rules be suspended to act upon a Legislative Citation. Agreed.

Representative Blevins moved the adoption of Legislative Citation No. 7. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby honors and commends Milo D. Bryant for his development and implementation of a statewide anti-litter program within the Kentucky Transportation Cabinet.

The first impression that an out of state visitor receives is made by the appearance of our roadways. In a state where so much natural beauty abounds cleanliness along the highways of Kentucky should be of great importance and a matter of pride to all citizens of the Commonwealth. The positive effects of this program can be seen in every county of this Commonwealth.

This prestigious body joins Representative Walter Blevins in congratulating you, Milo D. Bryant on a job well done. (Sponsored by Representative Blevins)

Representative Johnson moved the rules be suspended for the purpose of recording a vote. Agreed.

Representative Johnson moved that he be recorded as voting "nay" on **HB 1**. Agreed.

Representative Hourigan moved the rules be suspended to act upon a Legislative Citation. Agreed.

Representative Hourigan moved the adoption of Legislative Citation No. 8. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby honors Hart County Division of Disaster and Emergency Services for your extraordinary efforts to the residents of Hart County during disaster and emergency services. The hours you devoted to the recent safety evacuation and for your tender care of those who cannot help themselves in perilous situations have given you the distinct reputation of having a sterling character. This prestigious body commends you for your dedication. (Sponsored by Representative Hourigan)

Representative Handy moved the rules be suspended for the purpose of recording a vote. Agreed.

Representative Handy moved that he be recorded as voting "yea" on **HB 1**. Agreed.

Representative Noe moved the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 31, by Representatives Noe and Strong: A RESOLUTION commending the Harlan Boys' Choir.

Representative Noe moved the adoption of the following **HR 31**:

HR 31, A RESOLUTION commending the Harlan Boys' Choir.

WHEREAS, the Harlan Boys' Choir has been selected to participate in the inaugural ceremonies for the nation's 41st president, along with such luminaries as the Reverend Billy Graham, Supreme Court Justices William H. Renquist and Sandra Day O'Connor and the United States Marine Corps Band; and

WHEREAS, the Harlan Boys' Choir epitomizes the talent and the public spirit of the young people of this Commonwealth; and

WHEREAS, the Harlan Boys' Choir has flourished under the outstanding directorship of David L. Davies;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Harlan Boys' Choir and its director are hereby praised and highly commended for their excellence, which resulted in their selection as a participant in the inauguration of our nation's 41st chief executive.

Section 2. That the Clerk of the House is directed to send copies of this resolution to Mr. David L. Davies, Harlan Elementary School, Harlan, Kentucky, 40831.

HR 31 was adopted by voice vote.

Representative Stumbo moved that no further business be conducted on this day except Report of Committees, first readings. Agreed.

Representative Stumbo moved that when the House adjourns, it do so by voice vote. Agreed.

Representative Stumbo moved that when the House adjourns, it do so until the hour of 4:00 p.m., Monday, December 12, 1988. Agreed.

Recess

Representative Stumbo moved that the House recess for thirty minutes to allow the Committee on Appropriations and Revenue to meet to take action on **SB 2**. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Representative Hancock moved the rules be suspended for a Report of Committees. Agreed.

Report of Committees

The Committee on Appropriations and Revenue reported **SB 2**, with Committee Amendment attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 2, AN ACT relating to payment of a bonus to certain veterans who served during the Vietnam

conflict and certain persons deriving from them, designating funding thereof, appropriating funds for administration, providing for reimbursement of appropriated funds, and declaring an emergency.

WHEREAS, the electorate of the Commonwealth of Kentucky, at the regular election on November 3, 1959, approved the payment of a cash bonus to qualified veterans of the Spanish American War, World War I, World War II, and the Korean conflict as an expression of appreciation for their service to the United States of America; and

WHEREAS, many citizens of the Commonwealth served at great personal sacrifice in the armed forces of the United States during the Vietnam conflict; and

WHEREAS, the General Assembly of the Commonwealth of Kentucky finds it appropriate to express to those citizens the gratitude of all of the citizens of the Commonwealth by the payment of a bonus to all veterans qualified hereunder who served in the armed forces of the United States in the Vietnam conflict;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

(1) It is hereby found, determined and declared that the citizens of the Commonwealth who served in the armed forces during the Vietnam conflict performed a public service for the United States of America and the Commonwealth and that the payment of the Vietnam veterans' bonus, as provided in this Act, promotes the public good by rewarding the public service rendered by such individuals and by encouraging future public service by citizens of the Commonwealth.

(2) It is hereby found, determined and declared that a bonus shall be paid by the Commonwealth of Kentucky in the amounts and to the persons determined in accordance with the provisions of this Act.

SECTION 2. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

As used in this Act, the following terms have the following respective meanings, unless another meaning is clearly required by the context:

(1) "Department of military affairs" means the office of the adjutant general, Commonwealth of Kentucky;

(2) "Administrator" means the individual designated by the adjutant general to carry out the responsibilities of this Act;

(3) "Armed forces" means the United States Army, Navy, Marine Corps, Air Force and Coast Guard, including the reserve components thereof on active duty, other than for in training, and shall not include the merchant marine;

(4) "Qualified Veteran" means any person whose period of active duty service meets the criteria set forth in subsection (5) or (6) of this section.

(5) "Qualifying Vietnam Service" means service by any person who:

(a) Served as a member of the Armed Forces of the United States in Vietnam or its contiguous waters or airspace (as defined in United States Department of Defense Directive 1348.15, October 1, 1965) for a period of at least thirty (30) days, unless such period was lessened as a result of death or medical evacuation, during the period July 1, 1958 through May 15, 1975; or served as a member of the Armed Forces of the United States served in Thailand, Laos or Cambodia, or participated in aerial missions in the airspace over same, for a period of at least thirty (30) days, unless such period was lessened as a result of death or medical evacuation, during the period July 3, 1965 through May 15, 1975; or served as a member of the Armed Forces of the United States and was awarded, or was eligible for award of, the Vietnam Service Medal established by United States Department of Defense Directive 1348.15, October 1, 1965;

(b) Was released, separated or discharged from the Armed Forces under other than dishonorable conditions or who is presently serving on active duty;

(c) Was a resident of the Commonwealth at the time of entry into active service in the Armed Forces and for at least six (6) months prior thereto;

(d) Has not received a similar bonus for such service from any other state; and

(e) Did not receive a Kentucky veterans' bonus under the provisions of KRS 40.005 or KRS 40.010 to 40.990;

(6) "Qualifying Vietnam Era Service" means service by any person who:

(a) Served in the Armed Forces of the United States on active duty, including service in a reserve component thereof other than for training, for at least ninety (90) consecutive days, exclusive of time lost as AWOL or in penal confinement, during the period August 5, 1964 to May 15, 1975, but whose service was in a location not included in subsection (5) of this section;

(b) Was released, separated or discharged from the Armed Forces under other than dishonorable conditions or is still serving on active duty;

(c) Was a resident of the Commonwealth at the time of his entry into active service in the Armed Forces and for at least six (6) months prior thereto;

(d) Has not received a similar bonus for such service from any other state; and

(e) Did not receive a Kentucky veterans' bonus under the provisions of KRS 40.005 or KRS 40.010 to 40.990;

(7) "Resident of the Commonwealth at the time of entry into the active service" means any person who gave the Commonwealth of Kentucky, or any specific place in this Commonwealth, as his place of residence at such time of entry. Conclusive and exclusive evidence of such giving of place of residence shall be the official records on file in the department of defense of the United States, or any official record thereof in the files of the veterans' administration of the United States; but if it be shown to the satisfaction of the administrator that for any reason no such record was made, or that the same has been lost, misplaced, destroyed, or was in error or that an authenticated copy thereof cannot be obtained within a reasonable time, other evidence of bona fide residence may be accepted if deemed sufficient by the administrator;

(8) "Resident," in any context other than as in subsection (5) of this section, means a legal resident as determined by generally established principles of law, as may be defined, and subject to proof, according to such regulations as the administrator may promulgate;

(9) "Beneficiary" means the following persons who were alive at the time of application, in this order, widow, if none to the child or children equally, if none to the mother and father equally, but if the father is dead, the mother, if living, shall take the whole amount; but if the mother is dead, the father, if living, shall take the whole amount;

(10) (a) "Widow" means a woman who was the wife of a qualified veteran at the time of his death;

(b) The term "widow" also includes "widower" in the case of a man who was the husband of a female qualified veteran at the time of her death;

(11) "Child" means a person:

(a) Who is under the age of eighteen (18); or

(b) Who, before attaining the age of eighteen (18) years, became permanently incapable of self-support; or

(c) Who, after attaining the age of eighteen (18) years and until completion of education or training (but not after attaining the age of twenty-three (23) years) is pursuing a course of instruction at a bona fide educational

institution; and who, in relationship to the veteran, is a legitimate child; a legally adopted child; a step-child who is a member of a qualified veteran's household or was a member at the time of the veteran's death; or an illegitimate child, but, as to the alleged father, only if acknowledged in writing signed by him or if he had, before his death, been judicially decreed to be the father of such child;

(12) "Mother" means a mother, a mother through adoption, or a woman who for a period of not less than one (1) year stood in the relationship of a mother to a qualified veteran before his or her entry into active service in the armed forces, or if two (2) persons stood in such relationship for one (1) year or more, the person who last stood in such relationship before the veteran's last entry into active service in the armed forces;

(13) "Father" means a father, a father through adoption, or a man who for a period of not less than one (1) year stood in the relationship of a father to a qualified veteran before his or her entry into active service in the armed forces, or if two (2) persons stood in such relationship for one (1) year or more, the person who last stood in such relationship before the veteran's last entry into active service in the armed forces;

(14) "In the continental United States" means any place in the District of Columbia and the States of the United States which are on the North American continent, exclusive of Alaska;

(15) "Outside the continental United States" means any place elsewhere than as defined in subsection (12) of this section;

(16) "Bonus" and "Vietnam veteran's bonus" mean the compensation authorized by this Act;

(17) "Bonus claim" means a claim or potential claim for a Vietnam veteran's bonus; and

(18) "Claimant" means one who seeks to obtain payment of a bonus claim.

SECTION 3. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

No bonus shall be paid to any member of the armed forces of the United States who did only civilian work at civilian pay, who has received from another state a bonus similar to the bonus provided by this Act, or who received the Kentucky veterans' bonus under the provisions of KRS 40.005 or KRS 40.010 to 40.990.

SECTION 4. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

(1) Every person determined by the administrator to be a qualified veteran shall be paid the sum of fifteen dollars ($15.00) for each month and major fraction of a month of qualifying Vietnam era service, not to exceed in all the sum of three hundred dollars ($300); and the sum of twenty-five dollars ($25.00) for each month and major fraction of a month of such service which is qualifying Vietnam service, subject to an aggregate limit for all service in the sum of five hundred dollars ($500). Any qualified veteran who was medically evacuated from a location, service in which location constituted qualifying Vietnam service, shall receive the sum of five hundred dollars ($500.00), this sum to be in lieu of any other bonus for which said veteran may qualify under the provisions of this Act.

(2) If a person determined to have been a qualified veteran shall be deceased at the time payment of the bonus would otherwise be made to him, the amount of his bonus shall be paid to the first surviving beneficiary, if any, according to the order of priority defined in Section 2(9) of this Act and if there be no surviving beneficiary, the bonus of such veteran shall lapse, and no payment thereof shall be made.

(3) A beneficiary (as defined in Section 2, subsections (9), (10), (11), (12), and (13) of this Act) of a person killed in the line of duty while serving in the armed forces of the United States during the period of eligibility, or who died of service-connected injury sustained while so serving, and who would otherwise have qualified for the bonus provided in subsection (1) of this section, shall be paid three hundred dollars ($300) if no part of the total service during the period was served outside the Continental United States or five hundred dollars ($500) if any part of the total service during the period was served outside the Continental United States. The provisions of subsection (1) of this section and the minimum period of service for entitlement to a bonus as established by Section 2(4) of this Act shall not apply to these beneficiaries. However, this exception does not waive the respective maximums of three hundred dollars ($300) or five hundred dollars ($500) for each veteran, person killed in the line of duty while on active duty in the armed forces, or person who died as a result of service-connected injury sustained while on active duty in the armed forces. Payment shall be made to a beneficiary

in the order of priority defined in Section 2(9) of this Act.

SECTION 5. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

The department of military affairs, Commonwealth of Kentucky, shall administer the provisions of this Act and shall:

(1) Prepare and make available forms on which applications for the bonus shall be made;

(2) Employ such additional personnel as may be required for orderly and expeditious administration;

(3) Promulgate all administrative regulations required for the effective administration of this Act; and

(4) Report annually to the governor and the legislative research commission within sixty (60) days after the end of each fiscal year during its administration of this Act.

(5) Report to the governor and to the legislative research commission not later than the thirtieth (30th) day prior to the beginning of the 1990 regular session of the general assembly, and each thirty (30) days thereafter until adjournment of the 1990 regular session of the general assembly, concerning the following:

(a) The number of claims which have been submitted;

(b) The number of claims which have been approved for payment;

(c) The number of claims which are subject to further review; and

(d) An accounting for the funds which have been spent in the administration of this Act.

SECTION 6. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

All applications for the bonus shall be submitted to the adjutant general, Commonwealth of Kentucky, in writing, upon forms made available for that purpose, and shall be accompanied by such documentary evidence as prescribed by appropriate administrative regulations. Every application shall be certified under the penalties of perjury, and shall contain representations of the claimant (or, if he shall have been adjudged incompetent, or be an infant, of his committee or guardian), that:

(1) The facts therein stated are true to the best of his knowledge and belief;

(2) All documents submitted in support of the application are believed by the claimant to be genuine originals or copies, as the case may be, and that the claimant has no knowledge that the document has been superseded or cancelled;

(3) The claimant has not received from another state a bonus or compensation of a like nature as provided by this Act;

(4) The claimant has not received the Kentucky veterans' bonus provided under KRS 40.005 or KRS 40.010 to 40.990;

(5) The claimant has neither paid nor agreed to pay, directly or indirectly, any compensation for assistance received in preparing and tendering the application; and

(6) The claimant has knowledge of the fine and forfeiture provisions of this Act;

(7) The application form shall contain provision for, and each claimant shall elect, one (1) of the following choices:

(a) The claimant is eligible for and desires to receive a bonus payment; or

(b) The claimant is eligible for a bonus payment but requests that his payment be deposited into a veterans' program trust fund, which is hereby established, the proceeds and interest therefrom to be used for veterans' programs administered by the department of military affairs.

SECTION 7. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

(1) No application shall be filed with or sent to the adjutant general before the 1st day of March, 1989.

(2) No application may be filed with or sent to the administrator after the twenty-eighth day of February, 1990; but if an application is sent by mail, the adjutant general shall receive it if the post-mark on the envelope shows date and time of mailing at or before midnight, central standard time, on or before the twenty-eighth day of February, 1990.

(3) Applications tendered to the adjutant general otherwise than as provided in subsections (1) and (2) of this section shall not be eligible for consideration under this Act and shall not be accepted. Each such application received by mail shall be returned to the sender, if a return address be given, together with notification of the reason for its return.

SECTION 8. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

No claimant shall be entitled to an oral hearing as a matter of right; but the adjutant general may in his discretion order a hearing in any case presenting unusual circumstances, or where it appears that documentary evidence of any material fact cannot reasonably be obtained, or where the claim cannot otherwise adequately be determined. The adjutant general may investigate any matter which in his judgment is not adequately proven, or which shows or raises an inference of fraud; and may require submission of supplementary proof.

SECTION 9. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

A hearing ordered by the adjutant general shall be conducted by a single person designated by the adjutant general. Formalities of judicial procedure and proof may be waived. No stenographic transcript of the proceedings shall be made except when specifically authorized by the adjutant general, and in the absence of such authorization the hearing officer shall submit to the adjutant general his written summary of the proceedings. There shall be no right to written or oral argument; but the adjutant general may, in his discretion, authorize either.

SECTION 10. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

The burden of proving to the satisfaction of the adjutant general that a bonus is payable shall in all cases be upon the claimant.

SECTION 11. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

The adjutant general shall make prompt determination that each application is approved or disapproved for payment of a bonus; and if approved, shall determine the amount to be paid according to the provisions of this Act.

SECTION 12. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

(1) If a claim is disapproved, the adjutant general shall send a notice of such decision to the claimant by mail at the address shown in the application. The notice shall be in such form as the adjutant general may determine, shall contain a designation of the reason for disapproval, shall inform the claimant of his right to seek review, shall have attached such form of request for review as the adjutant general may prescribe, and shall give information as to procedure for review.

(2) Application for review of a disapproval shall be made only on the forms prescribed, and shall be received in the designated office not later than the closing hour in the thirtieth (30th) day after the day upon which the notice of disapproval is mailed, or be forever barred.

(3) Upon receiving an application for review, the administrator shall transmit the same, together with the original application and all papers in the case, to the board of review, hereinafter created.

(4) The board of review shall promptly consider the same evidence which was available to the administrator, and shall promptly enter in the case file its decision either finally affirming the administrator's decision, or finally determining the claim and the amount thereof.

(5) The board of review shall send a notice of its decision to the claimant by registered mail, and shall return the case file to the administrator. The decision of the board of review shall be a final determination of the claim shown in the application.

SECTION 13. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

If the administrator shall disapprove any claim, or if the decision of the board of review be affirmance of the administrator's disapproval of the claim:

(1) No payment of a bonus shall be made,

(2) The administrator, upon receiving advice of the decision, shall note the same in a permanent book or record in his office; shall forthwith return to the claimant the copies of any official records submitted in support of the application; shall finally close the claim file; and may destroy all other papers except the application.

SECTION 14. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

(1) If a claim is approved by the administrator or finally approved upon resort to the board of review, the administrator shall promptly certify to the secretary of the cabinet for finance and administration the names and addresses of persons found entitled to be paid, as shown in the application, and the amount payable to each.

(a) A copy of each such certificate shall be sent to the secretary of the revenue cabinet, who shall promptly ascertain from the records of his agency whether any person proposed to be paid a bonus is delinquent in the payment of any tax liability to the Commonwealth. No delinquency shall be deemed to exist as to any asserted tax liability which is the subject of a bona fide dispute. If any delinquency be found to exist, the secretary of revenue shall within three (3) working days after this receipt of the certificate, furnish the details thereof to the secretary of finance and administration; and if no advice of tax delinquency is received by the secretary of finance and administration before the end of the fourth working day after his receipt of certification from the administrator, he shall, for the purposes of this Act, conclusively presume that no delinquency of tax liability to the Commonwealth exists, but such presumption shall apply only to the existence or absence of a set-off by the Commonwealth against a certified claim for a bonus, and shall not alter the facts as between the Commonwealth and any taxpayer.

(b) If no advice of tax delinquency is received within such allowed time, the secretary of finance and administration may approve payment in accordance with the certificate of the administrator, and may immediately draw a warrant on the state treasury for a check in payment, except that no warrant shall be drawn by the secretary until sufficient funds have become available to pay the bonus authorized by this Act.

(c) Upon receipt of such warrant the state treasurer shall issue a check in accordance therewith payable from funds made available for payment of the bonus authorized by this Act, and the same shall promptly be mailed to the payee thereof at the address shown in the certificate.

(2) If the secretary of finance and administration shall, within the allowed time, receive advice from the secretary of revenue of the existence of a delinquency on the part of any person having an approved claim for a bonus, as to any tax liability to the Commonwealth, the secretary of finance and administration shall note the same on the certificate of the administrator, withhold payment, and forthwith send to the claimant by registered mail a notice of the asserted delinquency, and the amount thereof, and that it is proposed that the same be set off against the bonus payment.

(a) If the secretary of finance and administration receives no protest in his office within ten (10) working days after recording such notice, he shall conclusively presume that the proposed set-off is just, shall apply the amount thereof in reduction or extinguishment of the payment certified by the administrator, and shall advise the secretary of revenue of the amount set off against the bonus, which advice shall be noted by the secretary of revenue on the records of his office as a credit upon the delinquent tax liability.

(b) If the tax set-off does not consume the entire amount of the bonus as certified by the administrator, the secretary shall draw a warrant upon the state treasury for a check in the amount of the remainder, and upon receiving such check from the state treasurer shall send the same, together with advice of the set-off, by mail, to the payee at the address shown in the certificate of the director.

(3) If the secretary of finance and administration receives from the claimant a protest of the asserted tax delinquency, within the allowed time, the secretary shall withhold approval for payment, and shall refer the protest to the secretary of revenue for disposition.

(4) If a tax set-off is made, and the claimant shall assert error with regard thereto, the exclusive remedy shall be by seeking refund from the secretary of revenue.

SECTION 15. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

(1) Claims for payment of a bonus shall not be assignable before or after approval thereof; and any attempted or purported assignment received by or tendered to any officer of the Commonwealth shall be void, need not be acknowledged or returned, and may be disregarded.

(2) Payments of the bonus shall be exempt from all taxation by the Commonwealth, its political subdivisions and taxing districts.

(3) No claim for payment of a bonus and no payment made by the Commonwealth under this Act shall give rise to a cause of action against the Commonwealth or any of its officers, agents, or employes, and no claim for payment shall be subject to attachment, levy, garnishment or seizure by or under any legal or equitable process whatever; but this provision shall not extend exemption from legal process to the proceeds of any bonus payment after the same has been received from the Commonwealth.

(4) The Commonwealth does not consent to be sued in any court with regard to any matter connected with or arising out of claims for payment of the bonus herein authorized.

SECTION 16. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

(1) There shall be a board of review consisting of nine (9) persons who are residents and qualified voters of the Commonwealth, appointed by the governor without limitation as to political affiliation, religion, race, sex, or past or present service in the armed forces, except that six (6) members of this board shall be veterans. The name of said board shall be "The Vietnam Veterans' Bonus Board of Review." The governor shall designate a chairman and a secretary from among the membership.

(2) Three (3) members and no more shall constitute a board of review, and shall by concurrence of two (2) members decide any claim which comes before the board in the manner provided in this Act. The chairman of the board shall designate three (3) members to consider and decide each claim, having due regard for availability for service so that delay may be avoided.

(3) The chairman and secretary shall devote their full time to the affairs of the board and shall receive compensation at the rate to be fixed in accordance with personnel standards fixed by the commissioner of personnel until the functions of the board are performed and the board is dissolved as hereinafter provided. Other members of the board shall be compensated fifty dollars ($50.00) per diem, but only for actual time served in considering and deciding claims for veterans' bonuses pursuant to designation by the chairman. All members of the board shall be reimbursed for necessary travel to and from their places of residence, and in performance of duties pursuant to assignment, at the rate of eighteen cents (18) per mile.

(4) Each claim coming before the board shall promptly be considered and decided by the three (3) members designated for that purpose. In every case the board shall either affirm the decision of the administrator, or determine that a veterans' bonus should be paid, and to what persons and in what amounts. No written opinions or recitations of reasons for any decision need be made. A statement of the decision made shall be signed by at least two (2) of the three (3) members designated to decide the claim; and upon concurrence of two (2) members a decision shall be final and not subject to reconsideration.

(5) When, after March 1, 1990, the board of review shall have decided all cases coming before it for decision, the chairman shall report such fact to the governor in writing. The governor shall thereupon declare that the

board of review is dissolved, and shall so notify the members, and the functions and duties of the board shall be deemed to have been fully performed.

SECTION 17. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

Any person who charges or collects or attempts to charge or collect either directly or indirectly, any fee or other compensation for assisting in any manner a person seeking to obtain payment of a bonus under this Act, shall be fined not more than five hundred dollars ($500) or imprisoned in the county jail for a term of not more than six (6) months, or both; but this provision is not intended to prohibit:

(1) Collection by public officers of statutory fees for providing authenticated copies of public records, or

(2) The giving of assistance or advice to claimants by any bona fide veterans' organization, civic organization, institution, public or private body, or person, through one (1) or more persons compensated from the funds of such organization, institution, or public or private body or person, if no fee or charge therefor is collected from the asserted claimant.

SECTION 18. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

Whoever makes any false or fraudulent statement of a material fact in any application, affidavit, certificate or document submitted or tendered for the purpose of obtaining payment of a bonus under this Act, shall be fined not more than one thousand dollars ($1,000) or imprisoned in the penitentiary for a term of not more than two (2) years, or both.

SECTION 19. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

Any person conspiring to obtain payment of a fraudulent claim for a bonus under this Act, or conspiring to defraud one who receives payment or has a bona fide claim for payment of a bonus, shall be fined not more than one thousand dollars ($1,000) or imprisoned in the penitentiary for not more than two (2) years, or both.

SECTION 20. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

Any person convicted of any offense denounced in Sections 17, 18, and 19 of this Act shall forfeit his or her right, if any, to receive any payment authorized by this Act.

SECTION 21. A NEW SECTION OF KRS CHAPTER 40 IS CREATED TO READ AS FOLLOWS:

It is the intent of the general assembly in enacting this Act that such funds sufficient for payment of the Vietnam veterans' bonus authorized by this Act shall be appropriated by the 1990 regular session of the general assembly, or at such later times as sufficient funds for the payment of the bonus shall become available, exclusively from monies transferred or collected from the Kentucky lottery revenues pursuant to House Bill 1 enacted by the 1988 extraordinary session of the general assembly.

Section 22. There is hereby appropriated to the department of military affairs out of the General Fund for fiscal year ending June 30, 1989 the sum of five hundred thousand dollars ($500,000), and for fiscal year ending June 30, 1990 the sum of one million dollars ($1,000,000), for the administration of this Act. The funds appropriated in this section shall not lapse but shall be carried forward for the purpose specified.

Section 23. The secretary of finance and administration is directed to reimburse the general fund, subsequent to any reimbursements directed by House Bill 6 of the 1988 extraordinary session of the general assembly, for the appropriations made by this Act from monies initially transferred or collected from the Kentucky lottery revenues pursuant to House Bill 1 as enacted by the 1988 extraordinary session of the general assembly.

Section 24. Whereas, to allow sufficient time to provide for the administration of this Act in accordance with the date requirements established by this Act, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

The Committee Amendment No. 1 to **SB 2** is as follows:

Amend printed copy of GA copy for **SB 2** on page 3, line 17, by inserting after the word "in" and before the word "Thailand" the following: "the Dominican Republic, Congo,".

Adjournment

Representative Hancock moved that the House adjourn until 4:00 p.m., Monday, December 12, 1988.

The motion that the House adjourn was adopted by voice vote.

MONDAY, DECEMBER 12, 1988

ELEVENTH LEGISLATIVE DAY

The House was called to order by Speaker Blandford.

Prayer by Dr. Donald A. Nunnelly, First Christian Church, Frankfort, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Ackerson, Deskins, Geveden, Gregory, R. Jones, Moberly, Northup, Priddy, Ridley, B. Smith and R. Smith.

Representative McElroy moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative McElroy moved that the reading of the Journal of December 9, 1988 be dispensed with and the same approved. Agreed.

Representative Donnermeyer moved the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 35, by Representatives Donnermeyer, Hancock, Worthington, K. Harper, B. Jones, Callahan, Meyer, Walker and McBee: A RESOLUTION honoring the state cross country team.

Representative Donnermeyer moved the adoption of the following **HR 35**:

HR 35, A RESOLUTION honoring the state cross country team.

WHEREAS, the state cross country team captured the 1988 Amateur Athletic Union (AAU) Junior Olympics National Championships on December 3, 1988 in Hagerstown, Maryland; and

WHEREAS, cross country team members Stephanie Edgar, Amy Clements, Melea Pickett, Cybil O'Nan, Catherine Hancock, Kimberly Hancock and Carrie Barber are to be commended for their outstanding performance; and

WHEREAS, it is with honor we recognize Patty Dowd for successfully achieving the 1988 Senior Girls' National Championship of the AAU; and

WHEREAS, Coaches Frank Miklavic, Oliver (Buddy) Dittus and Barry Binkley have demonstrated their excellent coaching abilities;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives salutes the state cross country team members and coaches and wishes them continued success in future endeavors.

Section 2. That when the House of Representatives adjourns this day, Monday, December 12, 1988, it does so in honor of the state cross country team members and their coaches.

Section 3. That the Clerk of the House of Representatives is directed to transmit copies of this resolution to Stephanie Edgar, Dayton High School, 200 Jackson Street, Dayton, Kentucky, 41074; Amy Clements, St. Henry High School, 3837 Dixie Highway, Elsmere, Kentucky, 41018; Melea Pickett, Conner High School, Limaburg Road, P.O. Box 36, Hebron, Kentucky, 41048; Cybil O'Nan, Oldham County High School, P.O. Box 187, Buckner, Kentucky, 40010; Catherine Hancock, Kimberly Hancock and Carrie Barber, Frankfort High School, 328 Shelby Street, Frankfort, Kentucky, 40601; Patty Dowd, Fleming County High School, Route

2, Elizaville Road, Flemingsburg, Kentucky, 41041; Coach Frank Miklavic, Frankfort High School, 328 Shelby Street, Frankfort, Kentucky, 40601; Coach Oliver (Buddy) Dittus, Conner High School, Limaburg Road, P.O. Box 36, Hebron, Kentucky, 41048; and Coach Barry Binkley, Dayton High School, 200 Jackson Street, Dayton, Kentucky, 41074.

HR 35 was adopted by voice vote.

Introduction of Bills and Resolutions

HR 32, by Representative Lear: A RESOLUTION honoring Representative Robert A. "Bob" Jones.

HR 33, by Representative Lyne: A RESOLUTION adjourning the House in memory and honor of former State Representative and Senator, George Samuel Milam.

HCR 34, by Representatives Hancock, P. Richardson, Ballard, Siler, Morris, Bruce, Maggard and Will: A Concurrent RESOLUTION urging the United States Congress to amend 92 Stat. 2497 to remove offset provisions of veterans' benefits affecting the Kentucky Vietnam-era veterans' bonus payments.

HR 36, by Representative Heleringer: A RESOLUTION honoring State Representative Louie Guenthner of Jefferson County.

HR 37, by Representative Altman : A RESOLUTION honoring Dr. James Edward Jones.

HR 38, by Representative Cyrus: A RESOLUTION honoring Coach Marvin Meredith upon his imminent retirement.

HR 39, by Representatives Barrows and Napier: A RESOLUTION honoring Dr. Don Martin for his outstanding service to the Jessamine County school system and to the State of Kentucky.

HR 40, by Representatives Napier, Barrows and Maggard: A RESOLUTION honoring Joan Vice, Kentucky 1988 Elementary Teacher of the Year.

HR 41, by Representatives Long, Hancock, Farrow, T. Jones and Barrows: A RESOLUTION requesting the Governor to assist state employes and teachers with the high cost of health insurance and to help all Kentuckians meet the increasing cost of health care.

Calendar

SB 2 taken from the Calendar and ordered read at length for the second time. Representative Stumbo moved that it be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Recess

Representative Stumbo moved that the House recess for five minutes for a meeting of the Committee on Rules. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Representative Stumbo moved the rules be suspended to allow a Committee on Rules Report. Agreed.

Report of Committees

The Committee on Rules reported **SB 2** has been posted for passage in Orders of the Day, December 14, 1988.

Motions, Petitions and Communications

Representative Barrows moved the rules be suspended to act upon Resolutions. Agreed.

Representative Barrows moved the adoption of the following **HR 39**:

HB 39, A RESOLUTION honoring Dr. Don Martin for his outstanding service to the Jessamine County school system and to the State of Kentucky.

WHEREAS, Dr. Martin has served as Superintendent of the Jessamine County school system for the past five years; and

WHEREAS, the Jessamine County schools have shown much improvement in the areas of building facilities, accreditation, school attendance, and student athletics during the past five years; and

WHEREAS, Dr. Martin is directly responsible for the establishment of a local education foundation in Jessamine County; and

WHEREAS, Dr. Martin has devoted much time and energy to the dropout prevention effort and was able to secure a $300,000 grant to establish a high school dropout prevention program in Jessamine County; and

WHEREAS, Dr. Martin has assisted the legislature many times in its efforts toward the betterment of education; and

WHEREAS, the members of this body are proud of the accomplishments of this outstanding superintendent and are deeply indebted to him for the great services he has rendered; and

WHEREAS, Dr. Martin is wished much success and happiness as he starts his new position as superintendent of schools for the Rowan-Salisbury school system in Salisbury, North Carolina;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That Dr. Don Martin be commended and honored for his accomplishments and service to Jessamine County and the Commonwealth of Kentucky.

Section 2. That a copy of this resolution be sent to Superintendent Don Martin, Superintendent of Public Instruction John Brock, and the Chairman of the Jessamine County Board of Education, Mr. Eugene Peel.

HR 39 was adopted by voice vote.

Representative Barrows moved the adoption of the following **HR 40**:

HR 40, A RESOLUTION honoring Joan Vice, Kentucky 1988 Elementary Teacher of the Year.

WHEREAS, Joan Vice has devoted fourteen years to teaching the children of the Commonwealth; and

WHEREAS, Joan Vice has been an exemplary teacher of elementary students; and

WHEREAS, Joan Vice has a unique teaching philosophy that embodies not only excellence, but love, concern, and empathy for her students; and

WHEREAS, Joan Vice is a truly creative person who has provided the children of Jessamine County with a wealth of innovative experiences, through the various grants in science, math and reading that she has written and had funded; and

WHEREAS, Joan Vice has participated in numerous education programs including the Council for Economic Independence and the Math Curriculum Committee for Jessamine County; and

WHEREAS, Joan Vice is an active professional who has served as president of her local county education association; and

WHEREAS, Joan Vice was honored as the Kentucky 1988 Elementary Teacher of the Year; and

WHEREAS, the Commonwealth of Kentucky is proud of the accomplishment of this outstanding teacher and is deeply indebted to her for the great service she has rendered;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That Joan Vice be commended and recognized as Kentucky Elementary Teacher of the Year.

Section 2. That a copy of this resolution be sent to Mrs. Vice, Governor Wallace Wilkinson, Superintendent of Public Instruction John Brock, and Donald Martin, Jr., Superintendent of Jessamine County Schools.

HR 40 was adopted by voice vote.

Representative Lyne moved the rules be suspended to act upon a Resolution. Agreed.

Representative Lyne moved the adoption of the following **HR 33**:

HR 33, A RESOLUTION adjourning the House in memory and honor of former State Representative and Senator, George Samuel Milam.

With a profound sense of bereavement and loss we pay homage and tribute to the memory of our dear friend and former colleague, Sam Milam.

WHEREAS, George Samuel Milam was a dedicated servant of the constituents of the 16th legislative district of the House of Representatives from 1934 until 1942; and

WHEREAS, Sam Milam continued to protect the public trust as a State Senator for the 5th senatorial district from 1944 until 1948, devoting his life to the citizens of Todd, Simpson, Logan and Muhlenberg counties; and

WHEREAS, born on September 3, 1905 in Lewisburg, Kentucky, the son of J.E. and Cora Elizabeth Milam, George Samuel Milam was educated at Lewisburg High School, Bethel College, and the Universities of Kentucky, Florida and Chicago before becoming a practicing attorney; and

WHEREAS, during his tenure in the Kentucky House of Representatives, George Samuel Milam was a distinguished member of the following committees: Rules, Appropriations No. 1, Alcoholic and Liquor Control No. 1, Bond Issues, Cities 4th class, Circuit Courts, Codes of Practice, Court of Appeals, Criminal Law, Fish and Game, Judiciary, Judiciary Council, Kentucky Statutes Nos. 1 and 2, Motor Transportation, Municipalities, Public Utilities, Railroads, Revenue and Taxation No. 1, Roads and Highways No. 1, and the State Fair Committee; and

WHEREAS, George Samuel Milam's senatorial service included membership on the following prestigious committees: Appropriations, Aviation, Courts and Legal Procedure, Criminal Law, Insurance, Judiciary and Judicial Council, Kentucky Statutes No. 1, Labor and Manufacturing, Library and Historical Records, Motor Vehicles, Commerce and Common Carriers, Municipalities, Public Utilities, Regulation of Intoxicating Liquor, and the Ways and Means Committee; and

WHEREAS, George Samuel Milam slipped from these earthly bounds from which no traveller returns on December 8, 1988;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of this august body, individually and collectively, do hereby express their heartfelt condolences to the family of former state legislator George Samuel Milam.

Section 2. That we do hereby commend the family of our departed friend Sam Milam to the solace of the Almighty to endure these dark and painful hours and to gather the strength to face the many difficult days ahead.

Section 3. That when the House of Representatives of the General Assembly of the Commonwealth of Kentucky does adjourn this day, Monday, December 12, 1988, it does so in memory and honor of George Samuel Milam.

HR 33 was adopted by voice vote.

Representative Long moved the rules be suspended to act upon a Resolution. Agreed.

Representative Long moved the adoption of the following **HR 41**:

HR 41, A RESOLUTION requesting the Governor to assist state employes and teachers with the high cost of health insurance and to help all Kentuckians meet the increasing cost of health care.

WHEREAS, the cost of medical care is rising at a rate three times higher than the general rate of inflation; and

WHEREAS, on November 1, 1988, Kentucky began a self-insurance program to provide health insurance coverage for state employes, school board employes, retirees under the age of sixty-five and health department employes; and

WHEREAS, benefits under this plan are significantly reduced in comparison with last year's coverage, with increased deductibles, increased premiums, increased co-payments and a higher maximum out-of-pocket payment; and

WHEREAS, in many cases this reduction in coverage more than offsets the pay raises these workers received during the last year, resulting in a net cut in pay; and

WHEREAS, employes in more than half of Kentucky's counties have no option other than this plan because health maintenance organization coverage is not available to them;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Governor is requested to pursue every means of assisting state employes, school board employes, retirees and health department employes with the high cost of health insurance.

Section 2. That the Governor is urged to use every method at his disposal to help all Kentuckians meet the rapidly rising cost of health care.

Section 3. That a copy of this resolution be sent to the Honorable Wallace G. Wilkinson, Governor of the Commonwealth of Kentucky.

HR 41 was adopted by voice vote.

Representative Altman moved the rules be suspended to act upon a Resolution. Agreed.

Representative Altman moved the adoption of the following **HR 37**:

HR 37, A RESOLUTION honoring Dr. James Edward Jones.

WHEREAS, Dr. James Edward Jones was born December 2, 1934 in Birmingham, Alabama; and

WHEREAS, Dr. James Edward Jones received his Doctor of Ministry in May, 1982, at the Southern Baptist Theological Seminary in Louisville, Kentucky; and

WHEREAS, Dr. James Edward Jones is President of the Kentucky Baptist Pastor's Conference; and

WHEREAS, Dr. James Edward Jones is currently a member of the Executive Committee of the Southern Baptist Convention; and

WHEREAS, Dr. James Edward Jones represented Kentucky at the Presidential Prayer Breakfast in February, 1988; and

WHEREAS, Dr. James Edward Jones has been a Pastor at various churches in Alabama, Indiana and Kentucky for the past thirty-two years; and

WHEREAS, Dr. James Edward Jones is the loving husband of Martha Jones and devoted father of Angela Jones Garner, Darlene Jones Head and Byron Jones; and

WHEREAS, Dr. James Edward Jones has honored South Central Kentucky and his parishioners at the First Baptist Church in Campbellsville, Kentucky by being elected in November, 1988 to the prestigious position of President of the Kentucky Baptist Convention;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives salutes Dr. James Edward Jones and thanks him for his many years of service to the citizens of the Commonwealth.

Section 2. That when the House of Representatives adjourns this day, December 12, 1988, it does so in honor and appreciation of Dr. James Edward Jones.

Section 3. That the Clerk of the House of Representatives is directed to transmit a copy of this resolution to Dr. James Edward Jones, 424 North Central, Campbellsville, Kentucky.

HR 37 was adopted by voice vote.

Representative Heleringer moved the rules be suspended to act upon a Resolution. Agreed.

Representative Heleringer moved the adoption of the following **HR 36**:

HR 36, A RESOLUTION honoring State Representative Louie Guenthner of Jefferson County.

WHEREAS, Louie Guenthner began his career in public service as a Clerk of the Quarterly Court under then Jefferson County Judge Marlowe Cook and went on to serve the people of the 48th legislative district for fifteen years with honor and distinction; and

WHEREAS, Louie Guenthner served his party well as its nominee for the United States Senate in 1978 and Jefferson County Judge/Executive in 1985; and

WHEREAS, Louie Guenthner was never lacking during his public service in his dedicated support for his district, his principles and his party; and

WHEREAS, Louie Guenthner can now return to private life confident that his contributions as a legislator have made Kentucky a better place to live and prosper;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of this body hereby recognize Louie Guenthner for his service to the General Assembly.

Section 2. That we wish Representative Guenthner every success in all his future endeavors.

HR 36 was adopted by voice vote.

Representative Cyrus moved the rules be suspended to act upon a Resolution. Agreed.

Representative Cyrus moved the adoption of the following **HR 38**:

HR 38, A RESOLUTION honoring Coach Marvin Meredith upon his imminent retirement.

WHEREAS, Marvin Meredith graduated from Catlettsburg High School, winning all-state honors in football, set the school scoring record in basketball and was a star sprinter in track; and

WHEREAS, Marvin Meredith graduated from Marshall University, playing basketball under the legendary Cam Henderson and captained the Marshall University track team; and

WHEREAS, Marvin Meredith has coached basketball for thirty-one years at Russell High School with 656 victories; and

WHEREAS, Coach Meredith has contributed to all sports by coaching track for 15 years and the Red Devils' golf team for the past 17 years; and

WHEREAS, this is Coach Meredith's 36th year of coaching all sports with a combined coaching record of 1,390 wins and 305 defeats; and

WHEREAS, this is Coach Meredith's last coaching season at Russell High School before his retirement;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives proudly honors Coach Marvin Meredith for his unselfish dedication and outstanding contributions to the youth of Russell High School.

Section 2. That the House of Representatives extends best wishes to Coach Meredith in his future endeavors.

Section 3. That when the House of Representatives adjourns this day, Monday, December 12, 1988, it does so in honor of Coach Marvin Meredith.

Section 4. That the Clerk of the House of Representatives is directed to transmit a copy of this resolution to Coach Marvin Meredith, Russell High School, 709 Russell Lane, Russell, Kentucky, 41169.

HR 38 was adopted by voice vote.

Senate Message

Announcing passage of **SCR 7** and **HB 6.**

Announcements

The Clerk announced the filing of the following Floor Amendment to a Bill:

Floor Amendment No. 1 to **SB 2**, by Representative Clarke:

Amend printed copy of GA Copy of **SB 2** on page 24, line 2 by deleting lines 2 through 12 in their entirety; and renumbering the remaining sections accordingly.

The following meetings were announced:

Committee on Education: December 13, 1988 at 2:30 p.m. or 3:00 p.m. in Room 116.

Health and Welfare: December 13, 1988 at 9:00 a.m.

Adjournment

Representative Stumbo moved that the House adjourn until 2:00 p.m., Tuesday, December 13, 1988.

On the roll call the vote was yeas 83—Adams, Adkins, Allen, Altman, Ark, Arnold, Ballard, Barrows, Blandford, Blevins, J. Brown, M. Brown, Bruce, Burch, Callahan, Casebier, Castleman, L. Clark, P. Clark, Clarke, Cline, Crupper, Curd, Cyrus, Donnermeyer, Farrow, Ford, Freibert, Gedling, Gray, Hancock, Handy, J. Harper, K. Harper, Hatcher, Hoover, Hourigan, Jackson, Johnson, A. Jones, T. Jones, Keith, Kerr, Layman, Lear, Lefevers, Long, Lundergan, Lyne, Mack, Maggard, Mason, McBee, McElroy, Meyer, Morris, Napier, Nett, Noe, Noland, O'Brien, Overstreet, Preston, Pritchett, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Riner, Robinson, Scorsone, Seum, Siler, Strong, Stumbo, Todd, Turner, Walker, White, Will, Worthington, Yates. Nays 4.

The motion to adjourn was adopted.

TUESDAY, DECEMBER 13, 1988

TWELFTH LEGISLATIVE DAY

The House was called to order by Speaker Blandford.

Prayer by Dr. John F. Callaway, First Presbyterian Church, Frankfort, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Deskins, Geveden, Gregory, Preston, Priddy, B. Richardson, Ridley, B. Smith and Todd.

Representative McElroy moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative McElroy moved that the reading of the Journal of December 12, 1988 be dispensed with and the same approved. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported that **HB 6** had been examined and found correctly enrolled. Said Bill read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. (Time - 2:03 p.m.)

HB 6 delivered to the Senate, signed by the President. Ordered delivered to the Governor.

Introduction of Bills and Resolutions

HR 42, by Representative Stumbo: A RESOLUTION honoring State Representative Albert Sidney Adams.

HR 43, by Representative Heleringer: A RESOLUTION honoring Jefferson County police officer Marshall Stalker.

HR 44, by Representative Hoover: A RESOLUTION adjourning the House in memory and in honor of Judge Kenton J. Cooper.

HR 45, by Representatives Callahan and Donnermeyer: A RESOLUTION honoring Mayor Gil Lynn.

HR 46, by Representatives Hancock and Casebier: A RESOLUTION honoring former Representative Al Bennett.

HR 47, by Representative T. Jones: A RESOLUTION honoring Julian Birdwhistell.

HR 48, by Representative Overstreet: A RESOLUTION honoring Governor Wallace Wilkinson.

HR 49, by Representative J. Harper: A RESOLUTION honoring Catherine B. Hofer, Kentucky 1988 Compensatory Education Teacher of the Year.

HR 50, by Representatives Blevins and L. Clark: A RESOLUTION commending Robert Kaiser, Bill Estep and the Lexington Herald-Leader.

Motions, Petitions and Communications

Representative J. Harper moved the rules be suspended to act upon a Resolution. Agreed.

Representative J. Harper moved the adoption of the following **HR 49**:

HR 49, A RESOLUTION honoring Catherine B. Hofer, Kentucky 1988 Compensatory Education Teacher of the Year.

WHEREAS, Catherine B. Hofer has for more than 17 years demonstrated an unwaivering dedication to the educational development of the students in Bullitt County Schools; and

WHEREAS, Catherine B. Hofer is an exemplary teacher who has spurred the interest of her students in reading by providing to them many high-interest activities; and

WHEREAS, Catherine B. Hofer, through her patience, dedication and positive attitude, has encouraged reluctant readers to become avid and capable readers; and

WHEREAS, Catherine B. Hofer, through her fun-filled and adventure-packed activities, is instilling in her third and fourth graders a life-long enjoyment of reading; and

WHEREAS, Catherine B. Hofer was honored as the Kentucky 1988 Compensatory Education Teacher of the Year; and

WHEREAS, the Commonwealth of Kentucky is proud of the accomplishment of this outstanding teacher and is deeply indebted to her for the great service she has rendered;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That Catherine B. Hofer be commended and recognized as Kentucky Compensatory Teacher of the Year.

Section 2. That a copy of this resolution be sent to Mrs. Hofer, Governor Wallace Wilkinson, Superintendent of Public Instruction John Brock, Neyland G. Clark, Superintendent of Bullitt County Schools and Linda Marsh, Chairman, Bullitt County Board of Education.

HR 49 was adopted by voice vote.

Representative Blevins moved the rules be suspended to act upon a Resolution. Agreed.

Representative Blevins moved the adoption of the following **HR 50**:

HR 50, A RESOLUTION commending Robert Kaiser, Bill Estep and the Lexington Herald-Leader.

WHEREAS, it is with heavy hearts when we reflect upon the many tragic car accidents involving deaths of innocent victims due to drunk drivers; and

WHEREAS, Robert Kaiser and Bill Estep are to be commended for their excellence in journalism portrayed in the December 11, 1988 article related to alcohol and driving covering the period from May 14, 1987 through May 14, 1988; and

WHEREAS, this well-defined article demonstrated families overshadowed with grief and suffering, depicted photographs of innocent victims and facts about their related deaths; and

WHEREAS, the Lexington Herald-Leader, through publishing the December 11, 1988 article, has made a profound impact on the lives of many Kentuckians; and

WHEREAS, a death occurs every 22 minutes from alcohol-related accidents;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body commends Robert Kaiser, Bill Estep and the Lexington Herald-Leader for their forthrightness in the December 11, 1988 article on alcohol and driving.

Section 2. That this honorable body grieves for the innocent victims and their families and friends.

Section 3. That the Clerk of the House is directed to transmit copies of this resolution to Robert Kaiser, Bill Estep and the Lexington Herald-Leader, Main and Midland, Lexington, Kentucky, 40507.

HR 50 was adopted by voice vote.

Representative Hoover moved the rules be suspended to act upon a Resolution. Agreed.

Representative Hoover moved the adoption of the following **HR 44**:

HR 44, A RESOLUTION adjourning the House in memory and in honor of Judge Kenton J. Cooper.

With deepest regret, we pay homage and tribute to Judge Kenton J. Cooper.

WHEREAS, Kenton J. Cooper was born in Russell County, Kentucky in 1920; and

WHEREAS, Kenton J. Cooper of Jamestown, Kentucky, departed this life on September 3, 1988; and

WHEREAS, Kenton J. Cooper earned an A.A. from Lindsay Wilson Junior College, and LL.B. from the Jefferson School of Law and his J.D. from the University of Louisville; and

WHEREAS, Kenton J. Cooper has had a distinguished professional career serving as Circuit Judge from 1970-1976 and became a Court of Appeals judge in 1976; and

WHEREAS, Kenton J. Cooper was a member of the 40th Judicial District Bar Association; and

WHEREAS, Kenton J. Cooper was chosen Man of the Year in 1965 by the Business and Professional Womens Club; and

WHEREAS, Kenton J. Cooper was a beloved husband to his wife, Helen, and a devoted father to his two sons;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House expresses its profound grief over the loss of Judge Kenton J. Cooper, and extends its most sincere and heartfelt sympathy to his family.

Section 2. That when the House adjourns this day, December 13, 1988, it does so in honor and in memory of Judge Kenton J. Cooper.

Section 3. That the Clerk of the House is directed to transmit a copy of this resolution to Mrs. Helen M. Cooper, P.O. Box 346, Jamestown, Kentucky, 42629.

HR 44 was adopted by voice vote.

Representative T. Jones moved the rules be suspended to act upon a Resolution. Agreed.

Representative T. Jones moved the adoption of the following **HR 47**:

HR 47, A RESOLUTION honoring Julian Birdwhistell.

WHEREAS, Julian Birdwhistell, the County Clerk of Anderson County, is retiring after nineteen years of distinguished service; and

WHEREAS, Mr. Birdwhistell has done an outstanding job in his role as county clerk, and has served the community at large with a generosity of spirit; and

WHEREAS, he has thereby earned the respect and admiration of employes and fellow citizens as well;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House salutes Julian Birdwhistell upon the occasion of his retirement and wishes him well.

Section 2. That a copy of this resolution be sent to Julian Birdwhistell, County Clerk's Office, Lawrenceburg, Kentucky, 40342.

HR 47 was adopted by voice vote.

Representative Callahan moved the rules be suspended to act upon a Resolution. Agreed.

Representative Callahan moved the adoption of the following **HR 45**:

HR 45, A RESOLUTION honoring Mayor Gil Lynn.

WHEREAS, Mayor Gil Lynn has provided leadership to the City of Dayton for ten years as mayor and as a city councilman for four years prior to that; and

WHEREAS, Mayor Lynn was instrumental in saving five hundred jobs at Newport Street Steel in 1981; and

WHEREAS, he assisted in the creation of critically needed housing by coordinating the financing and construction of numerous low-income and senior citizens' centers; and

WHEREAS, he, at no cost to the city, personally designed and promoted the Watertown Marina in Dayton; and

WHEREAS, he is one of but a very few public figures in Kentucky to author and then implement a 20-year comprehensive plan for a municipality; and

WHEREAS, he has enhanced the quality of life in Northern Kentucky through his most successful efforts to attract new businesses to the area; and

WHEREAS, he has been recognized by the Northern Kentucky Chamber of Commerce for his contributions not only to the City of Dayton, but to this entire region; and

WHEREAS, Gil Lynn, upon his retirement, has dedicated his full energies to the citizens of Northern Kentucky at no cost to the taxpayers of Dayton;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives honors and recognizes Mayor Gil Lynn.

Section 2. That the House of Representatives extends its congratulations to the Mayor on his many accomplishments.

Section 3. That the Clerk of the House of Representatives is directed to transmit a copy of this resolution to Mayor Lynn.

HR 45 was adopted by voice vote.

Representative Overstreet moved the rules be suspended to act upon a Resolution. Agreed.

Representative Overstreet moved the adoption of the following **HR 48**:

HR 48, A RESOLUTION honoring Governor Wallace Wilkinson.

WHEREAS, yesterday marked the forty-seventh birthday of the Commonwealth's chief executive; and

WHEREAS, Wallace Wilkinson, the 53rd Governor of Kentucky, took office just over one year ago and his impact upon its future is especially evidenced by the proceedings of the current extraordinary session; and

WHEREAS, this legislative body desires to extend its best wishes, albeit belatedly, upon the occasion of the Governor's birthday;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House wishes Governor Wilkinson a belated happy birthday and many happy returns.

Section 2. That a copy of this resolution be sent to Governor Wallace Wilkinson.

HR 48 was adopted by voice vote.

Representative Heleringer moved the rules be suspended to act upon a Resolution. Agreed.

Representative Heleringer moved the adoption of the following **HR 43**:

HR 43, A RESOLUTION honoring Jefferson County police officer Marshall Stalker.

WHEREAS, Adam District police officer Marshall Stalker has been deservedly honored for his heroic action of rescuing an elderly woman from the icy Ohio River last December; and

WHEREAS, his performance in this dangerous situation has been widely acclaimed by those inside and outside of law enforcement circles; and

WHEREAS, his peers in his department selected Marshall Stalker to receive its Golden Eagle Award, which was presented at the FOP annual picnic; and

WHEREAS, the Kentucky Peace Officers Association has named Marshall Stalker the Peace Officer of the Year; and

WHEREAS, this honorable body also wishes to commend the brave and noble action of Officer Stalker;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House commends this honorable and courageous officer.

Section 2. That when the House adjourns this day, Monday, December 12, 1988, it does so in tribute to Marshall Stalker.

Section 3. That a copy of this resolution be sent to Marshall Stalker, Adam District Substation, 9300 Whipps Mill Road, Louisville, Kentucky.

HR 43 was adopted by voice vote.

Representative Hancock moved the rules be suspended to act upon a Resolution. Agreed.

Representative Hancock moved the adoption of the following **HCR 34**:

HCR 34, A CONCURRENT RESOLUTION urging the United States Congress to amend 92 Stat. 2497 to remove offset provisions of veterans' benefits affecting the Kentucky Vietnam-era veterans' bonus payments.

WHEREAS, the Commonwealth of Kentucky has enacted a Vietnam-era veterans' bonus as a token of appreciation for service by its men and women in defense of this great country; and

WHEREAS, in 1979, the United States Congress enacted into law P.L. 95-588, provisions of which will have the effect of offsetting, on a dollar for dollar basis, the bonuses of some 350 Kentucky veterans who are receiving disability payments for a non-service-connected disability and the bonuses of an additional 350 widows/widowers thereof; and

WHEREAS, similar veterans' bonuses paid previously by other states were exempted from these offset provisions by virtue of specific language which appeared in all pre-1979 veterans' benefit law;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. The Kentucky General Assembly hereby urges the United States Congress to amend 92 Stat. 2497 with all due promptness to exempt all veterans' bonus payments made by states from these offset provisions.

Section 2. The Kentucky General Assembly further orders that a copy of this concurrent resolution be delivered forthwith to each member of the Kentucky Congressional delegation.

Representative Hancock moved that a call of the roll be taken on **HCR 34**. Agreed.

On the roll call the vote was: Yeas 83, Nays 0. (See December 13, 1988 roll call on **HCR 34** - Appendix A.)

HCR 34 was adopted.

Representative Hancock moved the rules be suspended to act upon a Resolution. Agreed.

Representative Hancock moved the adoption of the following **HR 46**:

HR 46, A RESOLUTION honoring former Representative Al Bennett.

WHEREAS, Al Bennett served in this honorable body for twelve years; and

WHEREAS, Al Bennett proudly and bravely defended his country in World War II and is a member of the American Legion and Veterans of Foreign Wars; and

WHEREAS, Al Bennett, during his tenure in the General Assembly, served on many committees and as chairman of the Labor and Industry Committee and the first Subcommittee to Study Problems of Vietnam Veterans; and

WHEREAS, as a result of the enthusiasm and zeal with which Al Bennett pursued the objectives of the Subcommittee to Study Problems of Vietnam Veterans, a permanent task force on veterans' affairs was created to serve as a legislative clearinghouse for all veterans' issues; and

WHEREAS, Al Bennett, while serving as chairman of the Subcommittee to Study Problems of Vietnam Veterans, travelled around the Commonwealth listening to the concerns and problems of Vietnam veterans and sponsored legislation in 1984 which would have: provided a bonus for Vietnam veterans; compensated the families of victims of Agent Orange; and, established a Vietnam memorial; and

WHEREAS, the efforts and dedication of Al Bennett started the momentum which finally led to the establishment of the Kentucky Vietnam Veterans' Memorial which was dedicated this past November and is truly one of the best and brightest of its kind in the country; and

WHEREAS, it is only fitting and proper that this honorable body recognize, commend and pay tribute to Al Bennett during the 1988 Extraordinary Session that the House of Representatives approves legislation which would provide a bonus to Vietnam veterans in the Commonwealth.

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That Al Bennett be recognized, honored, and commended for outstanding service on behalf of veterans in this Commonwealth.

Section 2. That the House of Representatives, as a token of its gratitude, respect and affection for Al Bennett, adjourn this day, December 13, 1988, in his honor.

Section 3. That a copy of this resolution be presented to Mr. and Mrs. Al Bennett.

HR 46 was adopted by voice vote.

Representative Stumbo moved the rules be suspended to act upon a Resolution. Agreed.

Representative Stumbo moved the adoption of the following **HR 42**:

HR 42, A RESOLUTION honoring State Representative Albert Sidney Adams.

With fond memories we bid farewell to our friend and seatmate, Sidney Adams.

WHEREAS, Albert Sidney Adams proudly served the Kentucky General Assembly as a member of the House of Representatives in 1976 and again in 1987 and 1988; and

WHEREAS, Sidney Adams dedicated his life to protecting the interests of his constituents from the 92nd House District of Floyd, Knott and Letcher Counties; and

WHEREAS, during his tenure in this august body, Albert Sidney Adams served with distinction and pride on the following committees: Business Organizations and Professions, Education, Health and Welfare, Judiciary-Criminal, and Natural Resources and Environment; and

WHEREAS, Albert Sidney Adams is revered by his peers in the legislature and we shall not soon forget the sage wisdom he has shared; and

WHEREAS, our good friend and colleague Sidney Adams will not be returning to Frankfort in January;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of the House, both individually and collectively, do hereby extend their best wishes to Sidney Adams in all of his future endeavors.

Section 2. That we do hereby proclaim our brother, Albert Sidney Adams to be an outstanding citizen and exemplary representative of the Commonwealth.

Section 3. That the Clerk of the House is hereby directed to transmit a copy of this resolution to Representative Adams.

HR 42 was adopted by voice vote.

Representative Stumbo moved that a call of the roll be taken to show co-sponsors of **HR 42**. Agreed.

The following members requested that their names be added as co-sponsors of **HR 42**: Ackerson, Adkins, Allen, Altman, Ark, Arnold, Ballard, Barrows, Blandford, Blevins, Bronger, J. Brown, M. Brown, Bruce, Burch, Callahan, Casebier, Castleman, L. Clark, P. Clark, Clarke, Cline, Crupper, Curd, Cyrus, Donnermeyer, Farrow, Ford, Freibert, Gedling, Gray, Hancock, Handy, J. Harper, K. Harper, Hatcher, Heleringer, Hoover, Hourigan, Jackson, Johnson, A. Jones, R. Jones, T. Jones, Keith, Kerr, Layman, Lear, Lefevers, LeMaster, Lile, Little, Long, Lundergan, Lyne, Mack, Maggard, Mason, McBee, McElroy, Meyer, Moberly, Morris, Napier, Nett, Noe, Noland, Northup, Overstreet, Pritchett, Rapier, Reinhardt, Richards, P. Richardson, Riner, Robinson, Scorsone, Seum, Siler, R. Smith, Strong, Stumbo, Todd, Turner, Walker, White, Will, Worthington, Yates.

Representative Cline moved that the rules be suspended for the purpose of making a motion concerning co-sponsors. Agreed.

Representative Cline moved that all properly filed co-sponsor requests be approved. Agreed.

The following members filed requests to have their names added as co-sponsors of Bills and Resolutions:

HB 5, Representative Bronger; **HR 8**, Representative Morris; **HR 28**, Representative Blevins.

Adjournment

Representative Stumbo moved that the House adjourn until 1:00 p.m., Wednesday, December 14, 1988.

On the roll call the vote was yeas 84—Ackerson, Adams, Adkins, Allen, Altman, Ark, Arnold, Ballard, Blandford, Blevins, Bronger, J. Brown, M. Brown, Bruce, Burch, Callahan, Casebier, Castleman, L. Clark, P. Clark, Clarke, Cline, Crupper, Curd, Cyrus, Donnermeyer, Farrow, Ford, Freibert, Gedling, Gray, Hancock, Handy, J. Harper, K. Harper, Hatcher, Hoover, Jackson, Johnson, A. Jones, R. Jones, T. Jones, Keith, Kerr, Layman, Lear, Lefevers, Little, Long, Lundergan, Lyne, Mack, Maggard, Mason, McBee, McElroy, Meyer, Moberly, Morris, Napier, Nett, Noe, Noland, Northup, Overstreet, Pritchett, Rapier, Reinhardt, Richards, P. Richardson, Riner, Robinson, Scorsone, Seum, Siler, R. Smith, Stumbo, Todd, Turner, Walker, White, Will, Worthington, Yates. Nays 3—Heleringer, LeMaster, Lile.

The motion to adjourn was adopted.

WEDNESDAY, DECEMBER 14, 1988

THIRTEENTH LEGISLATIVE DAY

The House was called to order by Speaker Blandford.

Prayer by Father Theodore Keller, Church of the Good Shepherd, Frankfort, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present.

Representative McElroy moved that the reading of the Journal of December 13, 1988 be dispensed with and the same approved. Agreed.

Senate Message

Announcing passage of **SCR 14**, **SCR 15**, **HB 1**, with Senate Amendments, and **HCR 34**.

Introduction of Bills and Resolutions

HR 51, by Representative L. Clark: A RESOLUTION honoring Commissioner Irv Maze.

HR 52, by Representative Hatcher: A RESOLUTION honoring State Representative Ben Handy of Jefferson County.

HR 53, by Representatives Richards, Blandford, Rapier, Worthington, Lyne, Cline, Maggard, Adkins, Cyrus, Jackson, McElroy, A. Jones, Johnson, Riner, Noe, T. Jones, Barrows, Scorsone, Strong, Donnermeyer, Layman, Gedling, P. Clark, Yates and Curd: A RESOLUTION urging involvement in health insurance coverage provided by the Commonwealth of Kentucky.

HR 54, by Representative Morris: A RESOLUTION honor staff of the Committee on State Government.

HR 55, by Representatives Blandford, Rapier, Richards, Worthington, Stumbo, P. Clark and Priddy: A RESOLUTION in memory of Linda Wood.

Orders of the Day

SB 2, with Committee Amendment and Floor Amendment attached thereto, taken from the Orders of the Day and ordered read at length for the third time. Representative Stumbo moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Hancock moved the adoption of Committee Amendment No. 1 to **SB 2**. Agreed.

Representative Hancock moved that **SB 2**, as amended, be passed.

On the roll call the vote was: Yeas 97, Nays 0. (See December 14, 1988, roll call on **SB 2** - Appendix A.)

SB 2, as amended, was passed and the title agreed to.

Representative Hancock moved that the vote by which **SB 2**, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Representative Stumbo moved the rules be suspended to act upon Resolutions and Citations. Agreed.

Representative Morris moved the adoption of the following **HR 54**:

HR 54, A RESOLUTION honoring the staff of the Committee on State Government.

WHEREAS, the concerns of the present extraordinary session of the Kentucky General Assembly have made great demands on the time and talents of the staff of the Legislative Research Commission; and

WHEREAS, the tireless and diligent efforts of staff, especially those who have dealt with lottery issues, primarily members of the staff who worked with the Committee on State Government have been greatly appreciated by the members of this body;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House commends the staff of the Committee on State Government for the outstanding work they have done.

Section 2. That copies of this resolution be sent to the members of the staff of the Committee on State Government and those who worked closely with that committee during the extraordinary session.

HR 54 was adopted by voice vote.

Representative L. Clark moved the adoption of the following **HR 51**:

HR 51, A RESOLUTION honoring Commissioner Irv Maze.

WHEREAS, Commissioner Irv Maze has tirelessly represented the citizens of the "B" District in Louisville since his appointment in 1984; and

WHEREAS, Commissioner Maze has been a dedicated and active member of the Democratic Party, both on state and local levels; and

WHEREAS, Commissioner Maze is a member of the Jefferson County Enterprise Task Force which endeavors to improve employment opportunities in our community; and

WHEREAS, Commissioner Maze worked extensively with state and local environmental officials to alleviate drainage problems in District B and improve the overall water quality; and

WHEREAS, Commissioner Irv Maze suffered a heart attack on November 22, 1988;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives congratulates Commissioner Maze on his many accomplishments and contributions to Jefferson County and the Commonwealth of Kentucky.

Section 2. That the House of Representatives extends to Commissioner Maze's family our best wishes and desire for his speedy recovery.

Section 3. That the Clerk of the House of Representatives is directed to transmit a copy of this resolution to Commissioner Maze.

HR 51 was adopted by voice vote.

Representative P. Clark moved the adoption of the following **HR 55**:

HR 55, A RESOLUTION in memory of Linda Wood.

WHEREAS, her friends and colleagues in the legislature and on the staff of the Legislative Research Commission lost a valued associate and friend in the death of Linda Wood; and

WHEREAS, her commitment to excellence and her conscientious approach to every assignment was an inspiration to those who knew and worked with her; and

WHEREAS, her groundwork on the subject of lotteries has been of inestimable service to this legislature during the current extraordinary session; and

WHEREAS, the many who sought her expertise on the subject of lotteries found her to be helpful, cordial and objective, no matter what position on lotteries they supported; and

WHEREAS, Linda Wood was as aware as anyone that life holds much that is dark and discouraging, but nonetheless eagerly sought the hopeful and the positive, and characteristically urged those around her to do no less; and

WHEREAS, at the end, she faced death as courageously as she had confronted life;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House extends its sympathy to the family of Linda Wood, her husband, Tony Sangiuliano, and her parents, Mr. and Mrs. Howard Bearden.

Section 2. That when the House adjourns sine die for this extraordinary session, it does so in fond memory of Linda Wood.

Section 3. That copies of this resolution be sent to Tony Sangiuliano, 3415 Goose Creek Road, Louisville, Kentucky, 40241 and Mr. and Mrs. Howard Bearden, 1327 Lavon, Savannah, Georgia, 31406.

HR 55 was adopted by voice vote.

Representative P. Clark moved that a call of the roll be taken to show co-sponsors of **HR 55**. Agreed.

The following members requested their names be added as co-sponsors of **HR 55**: Ackerson, Adams, Adkins, Allen, Altman, Ark, Arnold, Ballard, Blandford, Blevins, Bronger, J. Brown, M. Brown, Bruce, Burch, Callahan, Casebier, Castleman, L. Clark, P. Clark, Clarke, Cline, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Farrow, Ford, Freibert, Gedling, Geveden, Gray, Guenthner, Hancock, Handy, J. Harper, K. Harper, Hatcher, Heleringer, Hoover, Hourigan, Jackson, Johnson, A. Jones, R. Jones, T. Jones, Kerr, Layman, Lear, Lefevers, LeMaster, Lile, Little, Long, Lundergan, Lyne, Mack, Maggard, Mason, McBee, McElroy, Moberly, Morris, Napier, Nett, Noe, Noland, Northup, O'Brien, Overstreet, Preston, Priddy, Pritchett, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Ridley, Riner, Scorsone, Seum, Siler, B. Smith, R. Smith, Strong, Stumbo, Todd, Turner, Walker, Worthington, Yates.

Representative Freibert moved the adoption of the following Legislative Citations No. 10 and No. 11. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby honors and congratulates Richard Chung of Southern Junior High School and his team mates for their triumphant victory as first place winners of the 1988 Knowledge Master Open. Exceptional ability, commitment to excellence, and a true enjoyment of learning are among the qualities which contribute to such extraordinary scholastic achievement. These are also characteristics to be found in the leaders of tomorrow.

This outstanding academic accomplishment is a source of great pride for the Commonwealth. The members of the House of Representatives join Representative Pat Freibert in saluting and applauding Richard Chung. (Sponsored by Representative Freibert)

The House of Representatives of the Commonwealth of Kentucky hereby congratulates and recognizes Sam White, Academic Team Coach, Southern Junior High School, for his team's triumphant victory as first place winners of the 1988 Knowledge Master Open. Coach White's exceptional commitment and dedication as an educator and his unique ability to inspire and teach young scholars are inherent to this outstanding achievement. Coach White and the 1988 Southern Junior High School Academic Team are sources of great pride to their school, their community and the Commonwealth.

The Kentucky General Assembly joins Representative Pat Freibert in saluting and applauding Sam White. (Sponsored by Representative Freibert)

Representative Hatcher moved the adoption of the following **HR 52**:

HR 52, A RESOLUTION honoring State Representative Ben Handy of Jefferson County.

WHEREAS, Ben Handy has been a dedicated servant of the constituents of the 42nd District of the Kentucky House of Representatives since 1982; and

WHEREAS, during his first legislative session in 1982, Ben Handy was selected to be a member of the House Enrollment Committee; and

WHEREAS, Ben Handy was a hardworking member of the Health and Welfare Committee from 1982 through 1985; and

WHEREAS, Ben Handy has diligently served on the Business Organizations and Professions Committee since 1986; and

WHEREAS, Ben Handy began serving on the Banking and Insurance Committee in 1982 assuming the responsibilities of Vice-Chairman in 1986 and continuing in 1988; and

WHEREAS, Ben Handy has been a vital, active, and dependable member of the Cities Committee since arriving in Frankfort six years ago; and

WHEREAS, during his legislative tenure, Ben Handy has been a leader in maintaining the character of our cities' "downtowns" and their "mainstreets"; and

WHEREAS, Ben Handy has adamantly supported the needs of local neighborhoods; and

WHEREAS, Ben Handy has been instrumental in the passage of legislation governing nuisance abatement in our cities; and

WHEREAS, Ben Handy will not be returning to Frankfort in January;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of this prestigious body hereby recognize our friend and colleague Ben Handy for his immeasurable contributions to Jefferson County and to the Commonwealth during his three terms of office.

Section 2. That the House of Representatives does hereby proclaim Ben Handy to be an outstanding citizen and exemplary representative of the Commonwealth.

Section 3. That we heartily bestow our best wishes upon you Ben in all of your future endeavors.

HR 52 was adopted by voice vote.

Representative Hatcher moved that a call of the roll be taken to show co-sponsors of **HR 52**. Agreed.

The following members requested their names be added as co-sponsors of **HR 52**: Adams, Adkins, Allen, Altman, Ark, Arnold, Ballard, Barrows, Blandford, Blevins, Bronger, J. Brown, M. Brown, Bruce, Burch, Callahan, Casebier, Castleman, L. Clark, P. Clark, Clarke, Cline, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Farrow, Ford, Freibert, Gedling, Geveden, Gray, Guenthner, Hancock, Handy, J. Harper, K. Harper, Hatcher, Heleringer, Hoover, Hourigan, Jackson, Johnson, A. Jones, T. Jones, Keith, Kerr, Layman, Lear, Lefevers, LeMaster, Lile, Little, Long, Lundergan, Lyne, Mack, Maggard, Mason, McBee, McElroy, Meyer, Moberly, Morris, Napier, Nett, Noe, Noland, Northup, O'Brien, Overstreet, Preston, Priddy, Pritchett, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Ridley, Riner, Scorsone, Seum, Siler, B. Smith, R. Smith, Strong, Stumbo, Todd, Turner, Walker, Will, Worthington, Yates.

Representative Lear moved the adoption of the following **HR 32**:

HR 32, A RESOLUTION honoring Representative Robert A. "Bob" Jones.

WHEREAS, it seems appropriate from time to time for this honorable body to reflect upon the contributions of those legislative members who have served with distinction and are worthy of recognition; and

WHEREAS, it is with pleasure and pride that we recall the distinguished service of those members; and

WHEREAS, the Honorable Robert A. "Bob" Jones has served the House of Representatives of the Commonwealth of Kentucky from 1976 to 1988;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives salutes the Honorable Robert A. "Bob" Jones for his outstanding contributions to Oldham and Trimble Counties and to the Commonwealth of Kentucky.

Section 2. That when the House of Representatives adjourns this day, Monday, December 12, 1988, it does so in honor of Representative Robert A. "Bob" Jones.

Section 3. That the Clerk of the House of Representatives is directed to transmit a copy of this resolution to the Honorable Robert A. "Bob" Jones, Box 8, Crestwood, Kentucky, 40014.

HR 32 was adopted by voice vote.

Representative Lear moved that a call of the roll be taken to show co-sponsors of **HR 32**. Agreed.

The following members requested their names be added as co-sponsors of **HR 32**: Adams, Adkins, Allen, Altman, Ark, Arnold, Ballard, Barrows, Blandford, Blevins, Bronger, J. Brown, M. Brown, Bruce, Burch, Callahan, Casebier, Castleman, L. Clark, P. Clark, Clarke, Cline, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Farrow, Ford, Freibert, Gedling, Geveden, Gray, Guenthner, Hancock, Handy, J. Harper, K. Harper, Heleringer, Hoover, Hourigan, Jackson, Johnson, A. Jones, T. Jones, Keith, Kerr, Layman, Lear, Lefevers, LeMaster, Lile, Little, Long, Lundergan, Lyne, Mack, Maggard, Mason, McBee, McElroy, Meyer, Moberly, Morris, Napier, Nett, Noe, Noland, Northup, O'Brien, Overstreet, Preston, Priddy, Pritchett, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Ridley, Riner, Scorsone, Seum, Siler, B. Smith, R. Smith, Strong, Stumbo, Todd, Turner, Walker, Will, Worthington, Yates.

Representative Richards moved the adoption of the following **HR 53**:

HR 53, A RESOLUTION urging involvement in health insurance coverage provided by the Commonwealth of Kentucky.

WHEREAS, the state has entered into a self-insurance program for insurance coverage for employes; and

WHEREAS, the self-insurance program contains reduced benefit levels to employes; and

WHEREAS, the Commonwealth of Kentucky is still evaluating and negotiating the health insurance coverage with certain hospitals and benefit providers; and

WHEREAS, the full benefit package and its impact are still unknown;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Commissioner of Personnel and the Secretary of Finance immediately distribute to all employes who opted for the Kentucky Kare plans their membership cards and a booklet completely describing the programs the state has adopted to date.

Section 2. That the Governor, the Commissioner of Personnel and the Secretary of Finance make public to the Appropriations and Revenue Committee and the Banking and Insurance Committee all documents concerning the bids for insurance coverages, the declaration of emergency, negotiated bids and/or proposals, letters of understanding, other documents or letters relevant to decisions to self-insure and any actions taken thereafter.

Section 3. That the Governor, Commissioner of Personnel and Secretary of Finance continue to negotiate with hospitals and health care providers so that each employe in Kentucky has at least one additional health care option to choose from or at minimum one hospital provider that has signed an agreement for reduced deductibles and copayments.

Section 4. That all funds appropriated for health care benefits plus any interest accrued thereon be used exclusively for health care and any surplus declared for this account be used to provide increased benefits for the employes of Kentucky during the next contract period.

Section 5. That the Governor, the Commissioner of Personnel and the Secretary of Finance begin immediate planning during budget preparation to ensure increased health care benefit changes and full salary increment increases.

Section 6. That the Governor, the Commissioner of Personnel and the Secretary of Finance evaluate all alternatives and recommendations concerning health care programs used by employes and that an immediate evaluation program be developed to monitor the actual costs associated with the self-insurance program.

Section 7. That the Governor, the Commissioner of Personnel and the Secretary of Finance report monthly to the appropriate committees the status of the self-insurance program, costs of administration, program utilization, time required for payment of claims, and other information as the appropriate committees may request to evaluate the state's performance in self-insurance.

HR 53 was adopted by voice vote.

Representative Richards moved that a call of the roll be taken to show co-sponsors of **HR 53**. Agreed.

The following members requested their names be added as co-sponsors of **HR 53**: Ackerson, Adams, Adkins, Allen, Altman, Ark, Arnold, Ballard, Barrows, Blandford, Blevins, Bronger, J. Brown, M. Brown, Bruce, Burch, Casebier, Castleman, L. Clark, P. Clark, Clarke, Cline, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Farrow, Ford, Freibert, Gedling, Geveden, Gray, Guenthner, Hancock, Handy, J. Harper, K. Harper, Hatcher, Heleringer, Hoover, Hourigan, Jackson, Johnson, A. Jones, T. Jones, Keith, Kerr, Layman, Lear, Lefevers, LeMaster, Lile, Little, Long, Lundergan, Lyne, Mack, Maggard, Mason, McBee, McElroy,

Meyer, Moberly, Morris, Napier, Nett, Noe, Noland, Northup, O'Brien, Overstreet, Preston, Priddy, Pritchett, Rapier, Reinhardt, Richards, B. Richardson, P. Richardson, Ridley, Riner, Scorsone, Seum, Siler, B. Smith, R. Smith, Strong, Todd, Turner, Walker, Worthington.

Representative Guenthner moved the adoption of the following **HR 27**:

HR 27, A RESOLUTION honoring the undefeated Shamrocks of Louisville's Trinity High School.

WHEREAS, an impressive 28-0 victory over previously unbeaten DuPont Manual High School, sparked by the ten-for-ten passing wizardry of Trinity quarterback Jeff Brohm, earned the Shamrocks the Class 4-A Football Championship; and

WHEREAS, its outstanding season would not have been possible without the talents and dedication of exceptional players and an outstanding coaching staff; and

WHEREAS, this team's accomplishment represents a record-tying ninth playoff title for Trinity; and

WHEREAS, the Shamrocks have also enjoyed the distinction of being ranked number one in their class all season;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House salutes this outstanding team of champions and its fine coaches.

Section 2. That a copy of this resolution be sent to head coach Dennis Lampley, c/o Coaches Office, 4011 Shelbyville Road, Louisville, Kentucky.

HR 27 was adopted by voice vote.

Recess

Representative Stumbo moved that the House recess until 3:00 p.m. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Orders of the Day (continued)

HB 1, with Senate Committee Substitute and Senate Floor Amendments attached thereto, taken from the Orders of the Day. Representative Stumbo moved that it be placed upon its passage. Agreed.

The Senate Committee Substitute to **HB 1** is as follows:

HB 1, AN ACT creating a state lottery, making an appropriation therefor, and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. KRS CHAPTER 154A IS HEREBY ESTABLISHED AND A NEW SECTION THEREOF IS CREATED TO READ AS FOLLOWS:

As used in this Act unless the context requires otherwise:

(1) "Corporation" means the Kentucky lottery corporation;

(2) "Lottery" means any game of chance approved by the corporation and operated pursuant to this Act;

(3) "Major procurement" means any gaming product or service including, but not limited to, major advertising contracts, annuity contracts, prize payment agreements, consulting services, equipment, tickets and other products and services unique to the Kentucky lottery, but not including materials, supplies, equipment and services common to the ordinary operations of a corporation;

(4) "Marginal cost/marginal revenue" means that the revenues to the corporation must exceed its variable costs associated with the generation of that revenue.

(5) "President" means the president of the Kentucky lottery corporation who shall also serve as chief executive officer of the corporation;

(6) "Retailer" means any person with whom the corporation has contracted to sell lottery tickets to the public; and

(7) "Security" means the protection of information that would provide an unfair advantage to any individual involved in the operation of the lottery, as well as measures taken to prevent crimes against the corporation and its retailers.

(8) "Vendor" means any person who has entered into a major procurement contract with the corporation.

SECTION 2. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) There is hereby created and established an independent, de jure municipal corporation and political subdivision of the Commonwealth of Kentucky which shall be a public body corporate and politic to be known as the Kentucky lottery corporation. The corporation shall be deemed a public agency within the meaning of KRS 61.805 and 61.870. This corporation shall be managed in such a manner that enables the people of the Commonwealth to benefit from its profits and to enjoy the best possible lottery games. The general assembly hereby recognizes that the operations of a lottery are unique activities for state government and that a corporate structure will best enable the lottery to be managed in an entrepreneurial and business-like manner. It is also the intent of the general assembly that the lottery shall be accountable to the governor, the general assembly and the people of the Commonwealth through a system of audits, reports and thorough financial disclosure as required by this Act.

(2) The existence of the corporation shall begin only upon confirmation of the members of the board by the senate as provided in Section 3 of this Act. Until the time of such confirmation, no business shall be conducted on behalf of the lottery.

(3) Notwithstanding any other provision of law to the contrary, no official action of any form shall be taken by the board at any time unless a majority of the members of the board shall have been confirmed by the senate as provided in Section 3 of this Act. Any action taken on behalf of the lottery when less than a majority of the members of the board shall have been confirmed shall be of no effect.

SECTION 3. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The affairs of the corporation shall be administered by a board of directors composed of seven (7) members appointed by the Governor, subject to the advice and consent of the senate. Members appointed when the senate is not in session shall serve only until the next regular session, or special session if such matter is included in the call therefor, of the general assembly at which time they shall be subject to confirmation by the senate. Should the senate refuse to confirm a member then he shall forfeit his office as of the date on which the senate refuses to confirm him. Any person not confirmed by the senate shall not be reappointed as a member for a period of two (2) years. Members appointed by the governor, and confirmed by the senate, shall be residents of the Commonwealth of Kentucky and serve a term of four (4) years, except that of the initial members appointed, two (2) shall be appointed for one (1) year with the term ending on the twenty-eighth (28th) day of November, 1989; two (2) shall be appointed for two (2) years with the term ending on the twenty-eighth (28th) day of November, 1990; two (2) shall be appointed for three (3) years with the term ending on the twenty-eighth (28th) day of November, 1991; and one (1) shall be appointed for four (4) years with the term ending on the twenty-eighth (28th) day of November, 1992. Members, confirmed by the senate, may serve thirty (30) days beyond the end of their respective terms if their successors have not been appointed and qualified. If the governor fails to appoint a successor within thirty (30) days of expiration of a member's term, the board shall make the appointment. No member shall serve more than two (2) consecutive four-year terms. No more than four (4) of the members appointed by the governor shall be from the same political party. Members may be removed by the governor

for neglect of duty, misfeasance, or nonfeasance in office. The board shall annually elect a chairman from among its voting members.

(2) Members of the board of directors shall not have any direct or indirect interest in an undertaking that puts their personal interest in conflict with that of the corporation. A personal interest shall include, but shall not be limited to, an interest in a major procurement. If a member determines that a conflict exists, such conflict shall be disclosed to the chairman in writing and the member shall abstain from participating in any decision dealing with the undertaking in which he has an interest.

(3) Appointed members of the board of directors, shall be entitled to five thousand dollars ($5,000) per year as remuneration for serving on the board, except for the chairman, who shall receive seven thousand five hundred dollars ($7,500), and all members shall be reimbursed for necessary travel and other reasonable expenses incurred in the performance of their official duties.

(4) The board, upon call of the chairman or the president, shall meet at least monthly for the first eighteen (18) months and bi-monthly thereafter and at such other times as the chairman or the president may determine. Four (4) members of the board shall constitute a quorum. The board shall also meet upon call of three (3) or more of the voting members of the board. The board shall keep accurate and complete records of all its meetings.

(5) The state treasurer shall be an ex-officio, nonvoting member of the board. He shall not be compensated for his service on the board.

(6) The president of the corporation shall be appointed by the governor subject to confirmation by the board of directors. Should the board of directors refuse to confirm the appointment of the president, then the governor shall submit another name. The person whose appointment was refused shall not be renamed for confirmation for a period of two (2) years. The board of directors shall meet within thirty (30) days of the date the governor submits the name of a nominee for president of the corporation and shall, within that time frame, either approve or reject the nomination. The president of the corporation shall manage the daily affairs of the corporation and shall have such powers and duties as specified by this Act and by the board of directors. The president shall not be a member of the board. The president of the corporation may be removed by the board of directors.

(7) All meetings of the board shall be open unless they may be closed under KRS 61.810 or relate to trade secrets or the security of lottery operations.

SECTION 4. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) All records of the corporation shall be deemed open records and subject to public inspection, unless:

(a) Such record is deemed privileged pursuant to KRS 61.870 to 61.884;

(b) Such record involves a trade secret of the corporation or of a vendor; or

(c) The disclosure of the record would endanger the security of the lottery or its retailers.

(2) The provisions of KRS 61.878, 61.880, and 61.884 shall apply to records of the lottery corporation with the exception that the only circuit court with jurisdiction over the records of the lottery corporation is the circuit court in the county where the corporate headquarters of the lottery corporation is located.

SECTION 5. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The board of directors shall provide the president with private-sector perspectives on the operation of a large marketing enterprise. The board shall:

(a) Approve, disapprove, amend, or modify the budget recommended by the president for the operation of the corporation;

(b) Approve, disapprove, amend, or modify the terms of major lottery procurements recommended by the president;

(c) Serve as a board of appeal for any denial, revocation or cancellation by the president of a contract with a lottery retailer; and

(d) Adopt, from time to time, such administrative regulations which shall be subject to the provisions of KRS Chapter 13A, as may be necessary to carry out and implement its powers and duties, the operation of the corporation, the conduct of lottery games in general, and any other matters necessary or desirable for the efficient and effective operation of the lottery or convenience of the public. The board may adopt, without recourse to the administrative regulation process unless it so desires, rules for the conduct of specific lottery games, including but not limited to, rules specifying:

1. The types of games to be conducted, including but not limited to, instant lotteries, on-line games and other games traditional to the lottery;

2. The sale price of tickets;

3. The number and amount of prizes;

4. The method and location of selecting or validating winning tickets;

5. The frequency and the means of conducting drawings which shall be open to the public;

6. The manner of payment of prizes;

7. The frequency of games and drawings;

8. The manner and amount of compensation to lottery retailers except all compensation shall be uniform; and

9. Any other matters necessary or desirable for the efficient and effective operation of the lottery or for the convenience of the public.

(2) In all other matters, the board shall advise and make recommendations. However, the board shall:

(a) Conduct hearings upon complaints charging violations of this Act or of administrative regulations adopted by the corporation and shall conduct such other hearings as may be provided by administrative regulation;

(b) Review the performance of the corporation and:

1. Advise the president and make recommendations to him regarding operations of the corporation; and

2. Identify potential improvements in this Act, the administrative regulations of the corporation, and the management of the corporation;

(c) Request from the corporation any information the board determines to be relevant to its duties; and

(d) Report to the president of the corporation, the governor, the president pro tempore of the senate, and the speaker of the house of representatives regarding its findings and recommendations.

SECTION 6. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The corporation shall conduct and administer lottery games which will result in maximization of revenues to the Commonwealth of Kentucky while at the same time provide entertainment to its citizens. It shall be the duty of the corporation, its employes and the members of the board to provide for the effective operation of lottery games which insure the integrity of the lottery and maintain the dignity of the Commonwealth and the general welfare of its citizens. The corporation, in pursuit of the attainment of the objectives and the purposes of this Act, may:

(a) Sue and be sued in its corporate name;

(b) Adopt a corporate seal and a symbol;

(c) Hold copyrights, trademarks, and service marks and enforce its rights with respect thereto;

(d) Appoint agents upon which process may be served;

(e) Enter into written agreements with one (1) or more other states for the operation, marketing and promotion of a joint lottery or joint lottery games;

(f) Acquire real property and make improvements thereon. Such acquisitions shall be reported to the capital project and bond oversight committee for its review and determination in accordance with KRS 45.750 to 45.800; and

(g) Make, execute and effectuate any and all agreements or contracts including:

1. Contracts for the purchase of such goods and services as are necessary for the operation and promotion of the state lottery, provided that proposed purchases of major items of equipment estimated to cost fifty thousand dollars ($50,000) or more shall be reported to the capital projects and bond oversight committee for its review and determination in accordance with the provisions of KRS 45.750 to 45.800, and contracts for personal service shall be reviewed in accordance with KRS 45.700 to 45.720; however, the corporation shall not be required to include purchases of equipment in the executive branch budget recommendations and the draft budget resolution submitted to each regular session of the general assembly pursuant to KRS 48.130.

2. Contracts to incur debt in its own name and enter into financing agreements with the Commonwealth, its own agencies, or with a commercial bank, excluding the authority to issue bonds.

(2) The corporation shall:

(a) Supervise and administer the lottery in accordance with the provisions of this Act and the administrative regulations adopted by the board;

(b) Submit monthly and annual reports to the governor, the president pro tempore of the senate, and the speaker of the house of representatives containing financial statements which include, but are not limited to, disclosure of gross revenues, expenses, and net proceeds for the period;

(c) Adopt by administrative regulation a system of continuous internal audits;

(d) Maintain weekly or more frequent records of lottery transactions, including distribution of tickets to lottery retailers, revenues received, claims for prizes, prizes paid, and all other financial transactions of the corporation; and

(e) Adopt by administrative regulation a code of ethics for officers and employes of the corporation to carry out the standards of conduct established by the provisions of this Act.

SECTION 7. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The president, as chief executive officer of the corporation, shall direct and supervise all administrative and technical activities in accordance with the provisions of this Act and with the administrative regulations adopted by the board. It shall be his duty to:

(a) Supervise and administer the operation of the lottery games;

(b) Employ and direct such personnel as may be necessary to carry out the purposes of this Act and utilize such services, personnel or facilities of the corporation as he may deem necessary. He may employ by personal service contract pursuant to KRS 45.700 to 45.720 and compensate such consultants and technical assistants as may be required to carry out the provisions of this Act. The president may, by agreement, secure information

and services as he may deem necessary from any department, agency, or unit of state government, and shall compensate such department, agency or unit of state government for its services. Such agencies, departments or units of state government shall cooperate with the corporation and provide such information and services as may be required by the corporation to assure the integrity of the lottery and the effective operation of the lottery games;

(c) Contract in accordance with the administrative regulations of the corporation with persons to sell lottery tickets at retail. The president shall require a bond or bank letter of credit from lottery retailers in such amount as provided by this Act or by administrative regulations issued by the board.

(d) Make available for inspection by the board or any member of the board, upon request, all books, records, files, and other information and documents of his office and to advise the board and recommend such administrative regulations and other matters he deems necessary and advisable to improve the operation and administration of the lottery;

(e) Enter into any contract pursuant to KRS Chapters 45 and 45A and Section 18 of this Act with any person, firm or corporation for the promotion and any operation of the lottery, or for the performance of any of the functions as provided in this Act or administrative regulations adopted by the board;

(f) Attend meetings of the board or appoint a designee to attend on his behalf;

(g) On the first day of the regular session of the general assembly in 1990 and biennially thereafter, submit the proposed biennial budget of the corporation to the appropriations and revenue committee of the house of representatives for review and comment. The budget shall be submitted to the director of the legislative research commission within five (5) days of adoption by the board for distribution to the appropriations and revenue committee of the house of representatives for review;

(h) The president, with the approval of the board, may amend or modify the budget at any time in any manner deemed necessary for the proper operation of the corporation; however, each change shall be reported in writing to the board and to the director of the legislative research commission, who shall transmit a copy of the change to the appropriations and revenue committee of the house of representatives;

(i) Following his confirmation, and during his entire term of office, the president shall reside in Kentucky.

(2) The president, and the board, may conduct an ongoing study of the operation and administration of lotteries in other states or countries, of available literature on the subject, of federal laws and regulations which may affect the operation of the lottery and of the reaction of citizens of this state to existing or proposed features of lottery games, with a view toward implementing improvements that will tend to serve the purposes of this Act.

(3) The president also may:

(a) Require bond from corporate employes with access to corporate funds or lottery funds, in such an amount as provided in the administrative regulations of the board. The president may also require bond from other employes as he deems necessary; and

(b) Suspend, revoke or refuse to renew any contract entered into in accordance with the provisions of this Act or the administrative regulations of the board.

SECTION 8. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The corporation shall establish and maintain a personnel program for its employes. The corporation may procure benefit programs or group insurance plans and shall provide a retirement plan. Employes of the corporation shall serve at the pleasure of the president who shall determine their compensation and benefits. The employes shall be subject to suspension, dismissal, reduction in pay, demotion, transfer, or other personnel action at the discretion of the president. Such personnel actions shall be exempt from the provisions of KRS Chapter 18A. The compensation of officers at the division head level and above shall be exempt from the provisions of KRS 64.640.

(2) No officer or employe of the corporation shall have a financial interest in any vendor doing business or proposing to do business with the corporation.

(3) No officer or employe of the corporation with decision-making authority shall participate in any decision involving a retailer with whom the officer or employe has a financial interest of five percent (5%) or more.

(4) No officer or employe of the corporation who leaves the employ of the corporation may represent any vendor or lottery retailer before the corporation for a period of two (2) years following termination of employment with the corporation.

(5) A background investigation shall be conducted by the chief security officer of the corporation on every applicant who has reached the final selection process prior to employment by the corporation. Applicants may be fingerprinted as a condition of employment. In addition, all division directors of the corporation and employes of the corporation performing duties primarily related to security matters, prior to employment, shall be subject to a background investigation report conducted by the Kentucky state police. The Kentucky state police shall be reimbursed by the corporation for the cost of investigations conducted pursuant to this section. No person who has been convicted of a felony, bookmaking or other forms of illegal gambling, or of a crime involving moral turpitude shall be employed by the corporation.

SECTION 9. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) (a) The general assembly hereby recognizes that to conduct a successful lottery, the corporation must develop and maintain a statewide network of lottery retailers that will serve the public convenience or promote the sale of tickets, while insuring the integrity of the lottery.

(b) To govern the selection of lottery retailers, the board shall, by administrative regulation, develop a list of objective criteria upon which the selection of lottery retailers shall be based. Separate criteria shall be developed to govern the selection of retailers of instant tickets and on-line retailers. In developing these objective criteria, the board shall not consider political affiliation, activities, or monetary contributions to political organizations or candidates for any public office. The criteria shall include, but not be limited to the following:

1. The applicant shall be current in payment of all taxes, interest and penalties owed to any taxing subdivision where the lottery retailer will sell lottery tickets;

2. The applicant shall be current in filing all applicable tax returns and in payment of all taxes, interest and penalties owed to the Commonwealth of Kentucky, excluding items under formal appeal pursuant to applicable statutes;

3. No person, partnership, unincorporated association, corporation, or other business entity shall be selected as a lottery retailer for the sale of instant tickets or on-line games who:

a. Has been convicted of a felony related to the security or integrity of the lottery in this or any other jurisdiction, unless at least ten (10) years have passed since satisfactory completion of the sentence or probation imposed by the court for each felony;

b. Has been convicted of any illegal gambling activity in this or any other jurisdiction unless at least ten (10) years have passed since satisfactory completion of the sentence or probation imposed by the court for each conviction;

c. Has been found to have violated the provisions of this Act or any administrative regulation adopted hereunder, unless at least ten (10) years have passed since the violation;

d. Is a vendor or an employe or agent of any vendor doing business with the corporation;

e. Resides in the same household as an officer of the corporation; or

f. Has made a statement of material fact to the corporation, knowing such statement to be false unless at least ten (10) years have passed since the statement was made.

4. Retailers shall be afforded the same exceptions to disqualification as provided for vendors in Section 17(4)(a), (b) and (c) of this Act.

5. In addition to the provisions of subsection (3) of this section, no person, partnership, unincorporated association, corporation, or other business entity shall be selected as an on-line lottery retailer who:

a. Has been denied a license to sell instant tickets on the basis of objective criteria established by the board, or any provision of this Act; or

b. Has failed to sell sufficient instant tickets to indicate that the location of an on-line game at his outlet would be of economic benefit to him or the lottery corporation.

6. The applicant shall not be engaged exclusively in the sale of lottery tickets. However, this paragraph does not preclude the corporation from contracting for the sale of lottery tickets with nonprofit, charitable organizations or units of local government in accordance with the provisions of this Act.

(c) Persons applying to become lottery retailers shall be charged a uniform application fee for each lottery outlet. Retailers chosen to participate in on-line games shall be charged a uniform annual fee for each on-line outlet.

(d) Any lottery retailer contract executed pursuant to this section may be suspended, revoked, or terminated by the president if the retailer is found to have violated any of the objective criteria established by the board as provided in subsection (1) of this section or any other provision of this Act. All lottery retailer contracts shall be renewable annually after issuance unless sooner cancelled or terminated.

(2) (a) A retailer who has been denied an on-line game for reasons of a marginal cost/marginal revenue basis shall be permitted to purchase or lease the equipment necessary to operate such a game from the corporation in a manner consistent with the corporation's manner of acquisition. This provision shall not apply to a retailer who has been denied such equipment due to financial responsibility, security or integrity reasons. A retailer need not file an appeal before being permitted to purchase or lease on-line equipment.

(b) After one (1) year of operation, any retailer who purchased or leased on-line equipment pursuant to paragraph (a) of this subsection and whose sales are equal to or greater than the statewide average of sales of on-line retailers, shall be reimbursed the cost of the purchase or lease by the corporation. The board may purchase the terminals of other retailers who purchased their equipment if the board determines that such purchase is in the best interest of the lottery.

(3) No lottery retailer contract awarded under this Act shall be transferable or assignable. No lottery retailer shall contract with any person for lottery goods or services except with the approval of the board.

(4) Each lottery retailer shall be issued a lottery retailer certificate which shall be conspicuously displayed at the place where the lottery retailer is authorized to sell lottery tickets. Lottery tickets shall only be sold by the retailer at the location stated on the lottery retailer certificate.

(5) A member of the general assembly who meets the same requirements as any other applicant to be a retailer may be granted a retail contract to sell lottery tickets or participate in any other lottery game operations. No member of the general assembly shall be entitled to preference over any other applicant for a contract.

(5) For the convenience of the public, all retailers shall be authorized to pay winners up to six hundred dollars ($600) after the retailer performs validation procedures appropriate to the lottery game involved. Lottery tickets shall be exempt from the Kentucky sales tax.

SECTION 10. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The corporation shall require each retailer to post a letter of credit or a bond with the corporation using a surety acceptable to the corporation in an amount not to exceed twice the average lottery ticket sales of the retailer for the period within which the retailer is required to remit lottery funds to the corporation. For the first ninety (90) days of sales of a new retailer, the amount of the bond shall not exceed twice the average estimated lottery ticket sales for the period within which the retailer is required to remit lottery funds to the

corporation. This section does not apply to lottery tickets which are prepaid by the retailers.

(2) Any contract executed by the corporation pursuant to this Act shall specify the reasons for which any contract may be suspended, revoked or terminated by the corporation, including, but not limited to:

(a) Commission of a violation of this Act or administrative regulations adopted pursuant thereto;

(b) Failure to accurately account for lottery tickets, revenues, or prizes as required by the corporation;

(c) Commission of any fraud, deceit, or misrepresentation;

(d) Insufficient sale of tickets;

(e) Conduct prejudicial to public confidence in the lottery;

(f) Any material change in any matter considered by the corporation in executing the contract with the retailer;

(g) Failure to meet any of the objective criteria established by the board pursuant to Section 9(1)(a) or any other provision of this Act.

(3) If, in the discretion of the president, such denial, revocation, suspension or rejection of renewal is in the best interests of the lottery, the public welfare, or the Commonwealth of Kentucky, the president may suspend, revoke, or terminate, after notice and a hearing, any contract issued pursuant to this Act. Such contract may, however, be temporarily suspended by the president without prior notice, pending any prosecution, hearing or investigation, whether by a third party or by the president. A contract may be suspended, revoked or terminated by the president for one (1) or more of the reasons enumerated in Section 10(2)(a) to (g).

SECTION 11. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) Any retailer, vendor, or applicant for a retailer license or vendor contract aggrieved by an action of the president of the corporation may appeal that decision to the board.

(2) All appeals before the board shall be heard and decided within thirty (30) days of the hearing.

(3) Any person aggrieved by a decision of the board may appeal the decision to the circuit court of the county in which the corporation maintains its headquarters.

(4) The circuit court may reverse the decision of the board only in the event the decision is found to be:

(a) Arbitrary and capricious;

(b) Procured by fraud; or

(c) A result of misconduct by the board, or a member thereof.

SECTION 12. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

Whenever a bond is required for the protection of the corporation, letters of credit or other surety as may be approved by the corporation, may be utilized in lieu of a bond.

SECTION 13. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) All proceeds from the sale of lottery tickets received by a person in the capacity of a lottery retailer shall constitute a trust fund until paid to the corporation either directly, or through the corporation's authorized collection representative. Proceeds shall include unsold instant tickets received by a lottery retailer and cash proceeds of sale of any lottery products, net of allowable sales commissions and credit for lottery prizes paid

to winners by lottery retailers. Sales proceeds and unused instant tickets shall be delivered to the corporation or its authorized collection representative upon demand. The corporation shall, by administrative regulation, require retailers to place all lottery proceeds due the corporation in accounts in institutions insured by the federal deposit insurance corporation or federal savings and loan insurance corporation not later than the close of the next banking day after the date of their collection by the retailer until the date they are paid over to the corporation. The corporation may require a retailer to establish a single separate electronic funds transfer account, where available, for the purpose of receiving moneys from ticket sales, making payments to the corporation, and receiving payments from the corporation. Lottery retailers shall be personally liable for all proceeds. Unless otherwise authorized in writing by the corporation, each lottery retailer shall establish a separate bank account for lottery proceeds which shall be kept separate and apart from all other funds and assets and shall not be comingled with any other funds or assets. This section shall apply to all lottery tickets generated by computer terminal, other electronic device, and any other tickets delivered to lottery retailers.

(2) Whenever any person who receives proceeds from the sale of lottery tickets in the capacity of a lottery retailer becomes insolvent, or dies insolvent, the proceeds due the corporation from such person or his estate shall have preference over all debts or demands.

SECTION 14. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) If a lottery retailer's rental payments for the business premises are contractually computed, in whole or in part, on the basis of a percentage of retail sales, and such computation of retail sales is not explicitly defined to include sales of tickets or shares in a state-operated lottery, the compensation received by the lottery retailer from the lottery shall be considered the amount of the retail sale for purposes of computing the rental payment.

SECTION 15. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) No person shall sell a ticket at a price other than that established by the corporation unless authorized in writing by the president. No person other than a duly certified lottery retailer shall sell lottery tickets except that nothing in this Act shall be construed to prevent a person who may lawfully purchase tickets from making a gift of lottery tickets to another. Nothing in this section shall be construed to prohibit the corporation from designating certain of its agents and employes to sell lottery tickets directly to the public.

(2) Lottery tickets may be given by merchants as a means of promoting goods or services to customers or prospective customers subject to approval by the corporation.

(3) No lottery retailer shall sell a ticket away from the locations listed in his contract.

SECTION 16. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) Proceeds of lottery prizes shall be subject to Kentucky state income tax. Any attachments, garnishments or executions authorized and issued pursuant to statute shall also be withheld if served upon the process agent of the corporation. This section shall not apply to a retailer.

(2) The board shall adopt rules to establish a system of verifying the validity of tickets claimed to win prizes and to effect payment of such prizes, except that:

(a) No prize, nor any portion of a prize, nor any right of any person to a prize awarded shall be assignable. Any prize, or portion thereof, remaining unpaid at the death of a prize winner shall be paid to the estate of such deceased prize winner or to the trustee under a revocable living trust established by the deceased prize winner as settlor, provided that a copy of such a trust has been filed with the corporation along with a notarized letter of direction from the settlor and no written notice of revocation has been received by the corporation prior to the settlor's death. Following such a settlor's death and prior to any payment to such a successor trustee, the corporation shall obtain from the trustee and each trust beneficiary a written agreement to indemnify and hold the corporation harmless with respect to any claims that may be asserted against the corporation arising from payment to or through the trust. Notwithstanding any other provisions of this section, any person, pursuant to an appropriate judicial order, shall be paid the prize to which a winner is entitled.

(b) No ticket shall knowingly be sold to any person under the age of eighteen (18), but this section does not prohibit the purchase of a ticket by a person eighteen (18) years of age or older for the purpose of making

a gift to any person of any age. In such case, the corporation shall direct payment to an adult member of the person's family or the legal guardian of the person on behalf of such person. The person named as custodian shall have the same powers and duties as prescribed for a custodian pursuant to the uniform transfers to minors act.

(c) No prize shall be paid arising from claimed tickets that are stolen, counterfeit, altered, fraudulent, unissued, produced or issued in error, unreadable, not received or not recorded by the corporation within applicable deadlines, lacking in captions that conform and agree with the play symbols as appropriate to the lottery game involved, or not in compliance with such additional specific rules and public or confidential validation and security tests of the corporation appropriate to the particular lottery game involved.

(d) No particular prize in any lottery game shall be paid more than once, and in the event of a binding determination that more than one claimant is entitled to a particular prize, the sole remedy of such claimants is the award to each of them of an equal share in the prize.

(e) A holder of a winning cash ticket or share from a Kentucky lottery game shall claim a prize within three hundred sixty five (365) days, or for a multistate lottery game within one hundred eighty (180) days, after the drawing in which the prize was won. In any Kentucky lottery game in which the player may determine instantly if he has won or lost, he shall claim a prize within three hundred sixty five (365) days, or for a multistate lottery game within one hundred eighty (180) days, after the end of the lottery game. If a valid claim is not made for a prize within the applicable period, the prize shall constitute an unclaimed prize for purposes of subsection (3) of this section.

(f) No prize shall be paid upon a ticket purchased or sold in violation of this Act. Any such prize shall constitute an unclaimed prize for purposes of subsection (3) of this section.

(3) Any unclaimed prize money shall be added to the pool from which future prizes are to be awarded or used for special prize promotions.

(4) The corporation is discharged of all liability upon payment of a prize.

(5) No ticket shall be purchased by and no prize shall be paid to any of the following persons: any member of the board of directors, officers, or employes of the corporation or to any spouse, child, brother, sister or parent residing as a member of the same household in the principal place of abode of any such person.

SECTION 17. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The corporation may purchase, lease, or lease-purchase such goods or services as are necessary for effectuating the purposes of this Act. Applicable leases, purchases, and lease-purchases shall be reported to the capital projects and bond oversight committee for its review and determination in accordance with the provisions of KRS 45.750-800. The corporation shall not contract with any person or entity for the total operation and administration of the state lottery, but may make procurements which integrate functions such as lottery game design, lottery ticket distribution to retailers, supply of goods and services, and advertising. In all procurement decisions, the corporation shall take into account the particularly sensitive nature of the state lottery and shall act to promote and ensure security, honesty, fairness and integrity in the operation and administration of the lottery and the objectives of raising net proceeds for the benefit of the public purpose described in this Act.

(2) The corporation shall investigate the financial responsibility, security, and integrity of any person who submits a bid, proposal or offer as part of a major procurement. At the time of submitting such bid, proposal, or offer to the corporation, the corporation may require the following items:

(a) A disclosure of the vendor's name and address and, as applicable, the name and address of the following:

1. If the vendor is a corporation, the officers, directors, and each stockholder in such corporation; except that, in the case of owners of equity securities of a publicly traded corporation, only the names and addresses of those known to the corporation to own beneficially five percent (5%) or more of such securities need be disclosed;

2. If the vendor is a trust, the trustee and all persons entitled to receive income or benefit from the trust;

3. If the vendor is an association, the members, officers, and directors; and

4. If the vendor is a partnership or joint venture, all of the general partners, limited partners, or joint venturers.

(b) A disclosure of all the states and jurisdictions in which the vendor does business, and the nature of the business for each such state or jurisdiction.

(c) A disclosure of all the states and jurisdictions in which the vendor has contracts to supply gaming goods or services, including, but not limited to, lottery goods and services, and the nature of the goods or services involved for each such state or jurisdiction.

(d) A disclosure of all the states and jurisdictions in which the vendor has applied for, has sought renewal of, has received, has been denied, has pending, or has had revoked a gaming license of any kind, and the disposition of such in each such state or jurisdiction. If any gaming license has been revoked or has not been renewed or any gaming license application has been either denied or is pending and has remained pending for more than six (6) months, all of the facts and circumstances underlying the failure to receive such a license shall be disclosed.

(e) A disclosure of the details of any finding of guilt, in a state or federal court, against the vendor for any felony or any other criminal offense other than a traffic violation.

(f) A disclosure of the details of any bankruptcy, insolvency, reorganization, or any pending litigation of the vendor.

(g) Such additional disclosures and information as the corporation may determine to be appropriate for the procurement involved. If the vendor subcontracts any substantial portion of the work to be performed under the contract to a subcontractor, the vendor shall disclose all of the information required by this subsection for the subcontractor as if the subcontractor were itself a vendor.

(3) A contract for a procurement with any vendor subject to subsection (2) of this section who has not complied with the disclosure requirements described in subsection (2) of this section shall not be entered into, and any contract with such a vendor is unenforceable. Any contract with a vendor who does not comply with such requirements for periodically updating such disclosures during the tenure of contract as may be specified in such contract shall be terminated by the corporation. This subsection and subsection (2) of this section shall be construed broadly and liberally to achieve the ends of full disclosure of all information necessary to allow for a full and complete evaluation by the corporation of the competence, integrity, background and character of vendors for major procurements.

(4) A contract shall not be entered into with any vendor who has been found guilty of a felony committed within the preceding ten (10) years, unless the corporation determines that:

(a) The vendor has been pardoned or the vendor's civil rights have been restored;

(b) Subsequent to such findings of guilt the vendor has engaged in the kind of law-abiding commerce and good citizenship that would reflect well upon the integrity of the lottery; or

(c) If the vendor is a firm, association, partnership, trust, corporation or other entity, the vendor has terminated its relationship with the individual whose actions directly contributed to the vendor's guilt.

(5) Each vendor shall, at the execution of the contract with the corporation, post a performance bond or letter of credit from a bank acceptable to the corporation, in an amount equal to the full amount estimated to be paid annually to the vendor under the contract. In lieu of the bond, a vendor may, to assure the faithful performance of its obligations, deposit and maintain with the state treasurer securities that are interest bearing or accruing and that, with the exception of those specified in paragraph (a) or (b) of this subsection, are rated in one of the three (3) highest classifications by an established nationally recognized investment rating service. Securities eligible under this subsection are limited to:

(a) Certificate of deposit issued by solvent banks or savings associations organized and existing under the laws of this state or under the laws of the United States and having their principal place of business in this state;

(b) United States bonds, notes, and bills for which the full faith and credit of the government of the United States is pledged for the payment of principal and interest;

(c) General obligation bonds and notes of any political subdivision of the state; or

(d) Corporate bonds of any corporation that is not an affiliate or subsidiary of the depositor. Such securities shall be held in trust and shall have at all times a market value at least equal to the full amount estimated to be paid annually to the lottery vendor under contract.

(6) Every contract entered into by the corporation pursuant to this section shall contain a provision for payment of liquidated damages to the corporation for any breach of contract by the vendor.

(7) Each vendor shall be qualified to do business in this state and shall file appropriate tax returns as provided by the laws of this state. All contracts under this section shall be governed by the laws of this state.

SECTION 18. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The corporation shall enter into its contracts after competitive negotiation, bidding or other procedure authorized pursuant to KRS Chapters 45 and 45A, or the corporation shall adopt administrative regulations pursuant to KRS Chapter 13A which are consistent with KRS Chapter 45 and 45A providing procurement procedures for any class of procurement, including authority to negotiate a reduced price. Such procedures shall be designed to allow the selection of proposals that provide the greatest long term benefit to the state, the greatest integrity for the corporation, and the best service and products, for the public.

(2) In its bidding and negotiation processes the corporation may do its own bidding and procurement, or may utilize the services of the finance and administration cabinet, or a combination thereof. The president of the corporation may declare an emergency for purchasing purposes in lieu of the secretary of finance.

SECTION 19. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The Kentucky state police shall, at the request of the division of security, perform full criminal background investigations on all potential vendors and potential employes of the corporation at the level of division director and above and at any level within the division of security. The corporation shall reimburse the Kentucky state police for the actual costs of such investigations.

(2) The corporation or its division of security shall:

(a) Conduct criminal background investigations and credit investigations on all potential retailers and investigate all potential employes of the corporation not referred to in subsection (1) of this section;

(b) Supervise ticket validation and lottery drawings;

(c) Inspect at times determined solely by the division, the facilities of any vendor in order to determine the integrity of the vendor's product and in order to determine whether the vendor is in compliance with its contract;

(d) Report any suspected violations of this Act to the appropriate Commonwealth's attorney, or the attorney general and law enforcement agencies; and

(e) Upon request, provide assistance to any Commonwealth's attorney, the attorney general or law enforcement agency investigating a violation of this Act.

SECTION 20. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) All money received by the corporation from the sale of lottery tickets and all other sources shall be deposited into a corporate operating account. The corporation is hereby authorized to use all money in the corporate operating account for the purposes of paying prizes and the necessary expenses of the corporation and dividends to the state. The corporation shall allocate the amount to be paid by the corporation to prize winners. Such amount in the corporate operating account which the corporation anticipates will be available for the payment of prizes on an annuity basis, may be invested in direct United States treasury obligations. These instruments may be in varying maturities with respect to payment of annuities and may be in book-entry form. The corporation shall transfer quarterly to the general fund an amount equal to one-eighth of one percent (1/8 of 1%) of the gross lottery revenue, not to exceed two hundred thousand dollars ($200,000) per annum, for deposit in the compulsive gambling study fund which shall be administered by the department for mental health and mental retardation services within the cabinet for human resources. Quarterly, the commission shall transfer to a lottery trust fund the amount of net revenues which the corporation determines are surplus to its needs. Such funds shall be held in trust until 1990 at which time the general assembly shall determine the manner in which the funds will be allocated and appropriated. The transfer shall be made no later than the tenth (10th) day of the month following each calendar quarter. The net revenues shall be determined by deducting from gross revenues the payment costs incurred in the operation and administration of the lottery, including the expenses of the corporation and the costs resulting from any contract or contracts entered into for promotional, advertising or operational services or for the purchase or lease of lottery equipment and materials, fixed capital outlays, transfers to the general fund for deposit in the compulsive gambling study fund, and the payment of prizes to the holders of winning tickets or shares. After the start-up costs are paid, it is the intent of the legislature that it shall be the goal of the corporation to transfer each year thirty-five percent (35%) of gross revenues to the general fund for the purposes stated above.

(2) A Kentucky lottery trust account is established in the state treasury. Net lottery revenues shall be credited to this restricted account as provided in subsection (1) of this section. Moneys credited to the Kentucky lottery trust account shall be invested by the state in accordance with state investment practices and all earnings from such investments shall accrue to this account. No moneys shall be allotted or expended from this account unless pursuant to an appropriation by the general assembly, except that such moneys as are needed shall be transferred to the general fund pursuant to the provisions of the Acts of the extraordinary session of the 1988 general assembly. Moneys in the Kentucky lottery trust account shall not lapse at the close of the state fiscal year.

(3) The auditor of public accounts shall be responsible for a financial postaudit of the books and records of the corporation. The postaudit shall be conducted in accordance with generally accepted accounting principles, shall be paid for by the corporation, and shall be completed within ninety (90) days of the close of the corporation's fiscal year. The auditor of public accounts shall contract with an independent, certified public accountant who meets the qualifications existing to do business within the Commonwealth of Kentucky to perform the corporation postaudit. The auditor of public accounts shall remain responsible for the annual postaudit and the corporation shall pay all audit costs. The auditor of public accounts may, at any time, conduct such additional audits, including performance audits, of the corporation as he deems necessary or desirable. Contracts shall be entered into for audit services for a period not to exceed five (5) years and the same firm shall not receive two (2) consecutive audit contracts. All such audits shall be filed with the governor, the president pro tempore of the senate, and the speaker of the house of representatives. The corporation shall reimburse the auditor of public accounts for the reasonable costs of any audits performed by him. The corporation shall cooperate with the auditor of public accounts by giving employes designated by any of them access to facilities of the corporation for the purpose of efficient compliance with their respective responsibilities. With respect to any reimbursement that the corporation is required to pay to any agency, the corporation shall enter into an agreement with such agency under which the corporation shall pay to such agency an amount reasonably anticipated to cover such reimbursable expenses in advance of such expenses being incurred.

SECTION 21. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) The corporation is hereby authorized to accept and expend such moneys as may be appropriated by the general assembly or such moneys as may be received from any source including income from the corporation's operations, for effectuating its corporate purposes including, without limitation, the payment of the initial expenses of administration and operation of the corporation and the lottery.

(2) After the transfer of any appropriated funds provided by this Act, the corporation shall be self sustaining and self funded and moneys in the state general fund shall not be used or obligated to pay the expenses of the corporation or prizes of the lottery and no claim for the payment of an expense of the lottery or prizes of the lottery shall be made against any moneys other than moneys credited to the corporate operating account established by this Act.

SECTION 22. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

Beginning July 1, 1990, the department for mental health and mental retardation services within the cabinet for human resources, in conjunction with the university of Kentucky and the university of Louisville, shall conduct a study of the incidence of compulsive gambling and the sufficiency of existing treatment programs and services within the state to determine the magnitude of compulsive gambling and the need for additional treatment programs and services for compulsive gamblers and their families who are experiencing difficulty as a result of gambling losses. The department for mental health and mental retardation services, the university of Kentucky and the university of Louisville shall submit a joint report of their findings and recommendations to the 1992 general assembly by January 1, 1992. This section shall sunset January 1, 1992.

SECTION 23. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

The corporation shall not organize, participate in, or contribute to a political action committee, either directly or indirectly.

SECTION 24. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

No person, partnership, unincorporated association, corporation, or other business entity selected to provide auditing services or a major procurement item to the corporation, nor the officers thereof, or a political action committee thereof or to which the person or organization contributes, shall have contributed to any statewide candidate for political office in Kentucky or for any candidate for the general assembly for a period of three (3) years prior to the award of the contract, nor shall they do so during the period of the contract or for a period of three (3) years thereafter. The proscription relating to prior contributions shall not apply to contributions made before December 12, 1988.

SECTION 25. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

Federally insured financial institutions may be utilized by the corporation to distribute lottery tickets to retailers.

SECTION 26. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) No person who receives goods, services, moneys, or rights having monetary value in excess of fifty dollars ($50) pursuant to any vendor contract with the corporation, and no agent, officer, employe, shareholder, or partner of such person, shall pay money, service, or other thing of value, to or for the benefit of, any agent, officer, employe of the corporation or to any person having the authority to appoint or to confirm the appointment of any agent, officer, and employe of the corporation on account of, in consideration for, or to induce the corporation to enter into a vendor contract.

(2) Any person violating subsection (1) of this Section is guilty of a Class D Felony.

Section 27. KRS 243.500 is amended to read as follows:

Any license issued under KRS 243.020 to 243.670 must be revoked or suspended for the following causes:

(1) Conviction of the licensee or his agent or employe for selling any illegal beverages on the premises licensed.

(2) Making any false, material statements in an application for a license.

(3) Violation of the provisions of KRS 243.670.

(4) If, within a period of two (2) consecutive years, any licensee or any of his clerks, servants, agents or employes shall have been convicted of two (2) violations of the terms and provisions of KRS Chapter 241, 243 or 244 or any act heretofore or hereafter in effect relating to the regulation of the manufacture, sale and transportation of alcoholic beverages or if, within such period, any licensee or any of his clerks, servants, agents or employes shall have twice been convicted of any felony or of any misdemeanor directly or indirectly attributable to the use of intoxicating liquors, or of one (1) such felony and one (1) such misdemeanor.

(5) Wilful and deliberate failure or default of a licensee to pay an excise tax or any part thereof, or any penalties imposed by or under the provisions of any statutes, ordinances or acts of congress relative to taxation, or for a violation of any *administrative* [~~rules or~~] regulations of the revenue cabinet made in pursuance thereof.

(6) Revocation of any license or permit provided in KRS 243.060, 243.070, 243.600 and 243.610, or granted under any act of congress relative to the regulation of the manufacture, sale and transportation of alcoholic beverages. Any license issued under KRS 243.020 to 243.670 must be revoked or suspended in the case of sale of alcoholic beverages by the licensee at a price in excess of the price set by federal or state regulations.

(7) Setting up, conducting, operating or keeping, on the licensed premises, any gambling game, device, machine or contrivance, or lottery or gift enterprise, or handbook or facility for betting or transmitting bets on horse races; or permitting to be set up, conducted, operated, kept, or engaged in, on the licensed premises, any such game, device, machine, contrivance, lottery, gift enterprise, handbook or facility. *This section shall not apply to the sale of lottery tickets or shares sold under the provisions of this Act.*

(8) Conviction of the licensee, his agents, servants, or employes for:

(a) The sale or use upon the licensed premises of those items described in KRS 218A.050 to 218A.130 as controlled substances;

(b) Knowingly permitting the sale or use by patrons upon the licensed premises of those items described in KRS 218A.050 to 218A.130 as controlled substances.

Section 28. KRS 247.155 is amended to read as follows:

It shall be unlawful for any person to open, cause to be opened, carry on, conduct or operate as owner, proprietor or employe any gambling device or game of chance within the confines of the grounds of the Kentucky state fair. Any person who violates any provision of this section shall be fined not less than fifty dollars ($50.00) nor more than five hundred dollars ($500) for each offense. Each day in which a gambling device or game of chance is so operated shall be considered a separate offense. *This section shall not apply to the sale of lottery tickets or shares sold under the provisions of this Act.*

Section 29. KRS 247.160 is amended to read as follows:

(1) The state fair board shall have exclusive control of concessions, exhibitions, shows, entertainments and attractions at any place on the state fairgrounds and exhibition center and may, in the discretion of the board, operate any or all of such concessions, exhibitions, shows, entertainments and attractions, but the board shall not allow the operation of any gambling device or game of chance therein. It may delegate such control or operation to any of its employes or agents, or to an executive committee. *This section shall not apply to the sale of lottery tickets or shares sold under the provisions of this Act.*

(2) The state fair board shall have a prior lien upon the property of any concessionaire, exhibitor or person, immediately upon its coming or being brought on the grounds, or the center, to secure existing or future indebtedness.

(3) Any designated employe or agent of the state fair board may sell the property to satisfy the indebtedness after giving ten (10) days' notice to the owner or agent of the owner or, if notice cannot be given to the owner, after a notice is posted for ten (10) days in the office of the state fair board on the grounds, announcing that the property is to be sold. The state fair board, through its designated agent, may bid and buy in the property offered for sale for the use and benefit of the state fair.

SECTION 30. A NEW SECTION OF KRS CHAPTER 154A IS CREATED TO READ AS FOLLOWS:

(1) Any person who knowingly sells a lottery ticket to a person under eighteen (18) years of age shall be fined not less than one hundred dollars ($100) nor more than five hundred dollars ($500) for the first offense and for each subsequent offense not less than two hundred dollars ($200) nor more than one thousand dollars ($1,000).

(2) Any person who violates the provisions of subsection (1) of Section 15 of this Act for the first offense shall be fined not less than one hundred dollars ($100) nor more than five hundred dollars ($500) and for each subsequent offense shall be fined not less than two hundred dollars ($200) nor more than two thousand dollars ($2,000) and may be imprisoned for not more than ninety (90) days.

(3) Any person who violates the provisions of subsection (4) of Section 8 of this Act shall be fined not less than one thousand dollars ($1,000) nor more than ten thousand dollars ($10,000).

(4) Any person who violates the provisions of subsection (2) of Section 3 of this Act shall be fined not less than five thousand dollars ($5,000) nor more than fifty thousand dollars ($50,000) and shall be removed from the board.

(5) Any person who violates the provisions of subsection (3) of Section 8 of this Act shall be fined not less than one thousand dollars ($1,000) nor more than ten thousand dollars ($10,000).

(6) Any person who violates the provisions of subsection (2) of Section 8 of this Act shall be fined not less than five thousand dollars ($5,000) nor more than fifty thousand dollars ($50,000) and shall be guilty of a class D felony.

(7) Any person who willfully violates the provisions of subsection (1) of Section 13 of this Act shall be fined not less than one thousand dollars ($1,000) nor more than ten thousand dollars ($10,000) and shall be guilty of a class D felony.

(8) Any person who, with intent to defraud, falsely makes, alters, forges, utters, passes or counterfeits a state lottery ticket or share shall be guilty of a class C felony.

(9) Any person who influences or attempts to influence the winning of a prize through the use of coercion, fraud, deception or tampering with lottery equipment or materials shall be guilty of a class B felony.

Section 31. The sum of six million dollars ($6,000,000) is hereby appropriated from the general fund to the Kentucky state lottery corporation. Said sum shall be used for operating expenses of the corporation during the fiscal year 1988-89. The corporation shall repay to the general fund the amount appropriated with interest, at a rate equivalent to the average investment yield of the general fund at the time funds are disbursed to the corporation, with such repayment to be no later than June 30, 1989.

Section 32. KRS 277.260 - Ejection from train for offensive conduct or language or for gambling, is repealed. KRS 436.420 - Advertising lotteries in newspapers and magazines, is repealed.

Section 33. Whereas the people of Kentucky have proven their desire for a lottery by their approval of a constitutional amendment and whereas any delay in the implementation of the lottery will result in lost revenues to the Commonwealth, an emergency is declared to exist, and this Act shall become effective upon passage and approval by the governor.

Representative Stumbo moved that the House concur in Senate Committee Substitute to **HB 1**. Agreed

The Senate Floor Amendment No. 4 to the Senate Committee Substitute to **HB 1** is as follows:

Amend printed copy of SCS to **HB 1** as follows:

On page 20, line 16, after the period and before the word "*All*" insert a new sentence to read as follows: "*Review of such action shall be in accordance with the procedures outlined in Section 11 of this Act.*".

Representative Stumbo moved that the House concur in Senate Floor Amendment No. 4 to the Senate Committee Substitute to **HB 1**. Agreed.

The Senate Floor Amendment No. 23 to Senate Committee Substitute to **HB 1** is as follows:

Amend printed copy of SCS to **HB 1** as follows:

On page 17, line 24, by deleting the word "*objective*";

And on page 17, line 24, after the word "*criteria*" by inserting the following: "*the board shall consider such factors as the applicant's financial responsibility, security of the applicant's place of business or activity, integrity, and reputation; however,*".

Representative Stumbo moved that the house concur in Senate Floor Amendment No. 23 to the Senate Committee Substitute to **HB 1**. Agreed.

The Senate Floor Amendment No. 27 to Senate Committee Substitute to **HB 1** is as follows:

Amend printed copy of SCS to **HB 1** as follows:

On page 1, by deleting lines 16, 17, and 18 in their entirety and by renumbering the remaining subsections accordingly; and

On page 20, line 20, by deleting the words "*of a marginal cost/marginal revenue basis*" and inserting in lieu thereof the words "*other than financial responsibility, security, or integrity*"; and

On page 20, line 24, after the period, by deleting the remainder of line 24 in its entirety; and

On page 20, by deleting line 25 in its entirety; and

On page 20, line 26, by deleting the words "*responsibility, security or integrity reasons.*"; and

On page 2, line 14, after the word "*established*" by inserting the following "a state lottery which shall be administered by"; and

On page 3, line 2, before the word "*lottery*" by inserting the word "*Kentucky*"; and

On page 3, line 2, after the word "*lottery*" by inserting the word "*corporation*"; and

On page 4, line 3, after the period, by inserting the following: "*If the senate is not in session, the appointments shall be subject to review by the interim joint committee on state government which shall hold a public hearing and shall transmit its recommendations to the senate.*"; and

On page 19, line 14, by deleting the comma and inserting in lieu thereof the word "*and*"; and

On page 19, line 14, after "*(b)*" by deleting the word "*and*" and inserting in lieu thereof the word "*or*"; and

On page 34, line 13, after the semicolon by inserting the word "*and*"; and

On page 24, line 5, by deleting the word "*license*"; and

On page 24, line 8, by deleting the words "*heard and*"; and

On page 27, line 6, by deleting the word "*section*" and inserting in lieu thereof the word "*Act*".

On page 44, line 7, by deleting the word "*vendor*"; and

On page 44, line 15, by deleting the word "*vendor*" and inserting in lieu thereof the word "*the*"; and

On page 44, line 15, after the period, by inserting the words: "*This section shall not apply to otherwise lawful contributions to political campaigns.*".

Representative Stumbo moved that the House concur in Senate Floor Amendment No. 27 to the Senate Committee Substitute to **HB 1**. Agreed.

The Senate Floor Amendment No. 5 to the Senate Committee Substitute to **HB 1** is as follows:

Amend printed copy of SCS to **HB 1** as follows:

On page 24, after line 14 and before line 15, insert the following: "*(a) clearly erroneous; or*"; and

On page 24, line 15, change "*(a)*" to "*(b)*"; and

On page 24, line 15, after the semicolon, add the word "*or*"; and

On page 24, line 16, change "*(b)*" to "*(c)*"; and

On page 24, line 17, change "*(c)*" to "*(d)*".

Representative Stumbo moved that the House concur in Senate Floor Amendment No. 5 to the Senate Committee Substitute to **HB 1**. Agreed.

The Senate Floor Amendment No. 6 to the Senate Committee Substitute to **HB 1** is as follows:

Amend printed copy of SCS to **HB 1** as follows:

On page 15, line 16, after the "*(b)*" and before the word "*Suspend*" insert the following: "*For good cause,*"; and

On page 20, line 12, after the word "*may*" and before the word "*be*" insert the following: ", *for good cause,*".

Representative Stumbo moved that the House concur in Senate Floor Amendment No. 6 to the Senate Committee Substitute to **HB 1**. Agreed.

The Senate Floor Amendment No. 7 to the Senate Committee Substitute to **HB 1** is as follows:

Amend printed copy of SCS to **HB 1** as follows:

On page 24, line 12, delete the period and insert the following in lieu thereof: ", *except that if the person aggrieved is a lottery retailer or an applicant to become a lottery retailer, then the circuit court of the county in which said retailer does or applicant would operate shall have concurrent venue as to such appeal.*"

Representative Stumbo moved that the House concur in Senate Floor Amendment No. 7 to the Senate Committee Substitute to **HB 1**. Agreed.

The Senate Floor Amendment No. 28 to the Senate Committee Substitute to **HB 1** is as follows:

Amend printed copy of SCS to **HB 1** as follows:

On page 38, line 19, to delete "*The corporation*";

And on page 38, lines 20 through 26, to delete the same;

And on page 42, lines 12 through 26, to delete the same;

And on page 43, lines 1 to 3 to delete the same;

And to renumber the remaining sections accordingly.

Representative Stumbo moved that the House concur in Senate Floor Amendment No. 28 to the Senate Committee Substitute to **HB 1**. Agreed.

The Senate Floor Amendment No. 20 to the Senate Committee Substitute to **HB 1** is as follows:

Amend printed copy of SCS to **HB 1** as follows:

On page 3, line 1, after the word "*manner.*" by inserting the following:

"*It is the intent of the general assembly that government programs and services shall not be mentioned in advertising or promoting a lottery.*"

Representative Stumbo moved that the House concur in Senate Floor Amendment No. 20 to the Senate Committee Substitute to **HB 1**. Agreed.

Representative Stumbo moved that **HB 1**, by way of Senate Committee Substitute as amended by the Senate, be passed.

On the roll call the vote was: Yeas 92, Nays 6. (See December 14, 1988 roll call on **HB 1** - Appendix A.)

HB 1, by way of Senate Committee Substitute as amended by the Senate, was passed and the title agreed to.

Representative Stumbo moved that the vote by which **HB 1**, by way of Senate Committee Substitute as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

Representative Stumbo moved that the House stand at ease. Agreed.

The Speaker resumed the Chair and called the House to order.

Representative Hancock moved the rules be suspended to act upon a Resolution. Agreed.

Representative Hancock moved the adoption of the following **SCR 7**:

SCR 7, A CONCURRENT RESOLUTION urging the United States Congress to amend 92 Stat. 2497 to remove offset provisions of veterans' benefits affecting the Kentucky Vietnam-era veterans' bonus payments.

WHEREAS, the Commonwealth of Kentucky has enacted a Vietnam-era veterans' bonus as a token of appreciation for service by its men and women in defense of this great country; and

WHEREAS, in 1979, the United States Congress enacted into law P.L. 95-588, provisions of which will have the effect of offsetting, on a dollar for dollar basis, the bonuses of some 350 Kentucky veterans who are receiving disability payments for a non-service-connected disability and the bonuses of an additional 350 widows/widowers thereof; and

WHEREAS, similar veterans' bonuses paid previously by other states were exempted from these offset provisions by virtue of specific language which appeared in all pre-1979 veterans' benefit law;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. The Kentucky General Assembly hereby urges the United States Congress to amend 92 Stat. 2497 with all due promptness to exempt all veterans' bonus payments made by states from these offset provisions.

Section 2. The Kentucky General Assembly further orders that a copy of this concurrent resolution be delivered forthwith to each member of the Kentucky Congressional delegation.

SCR 7 was adopted by voice vote.

Representative Stumbo moved the rules be suspended to act upon a Resolution. Agreed.

Representative Stumbo moved the adoption of the following **SCR 15**:

SCR 15, A CONCURRENT RESOLUTION to adjourn the 1988 Extraordinary Session of the General Assembly sine die.

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That when the Senate and the House of Representatives adjourn on Wednesday, December 14, 1988, they do adjourn sine die.

SCR 15 was adopted by voice vote.

Motions, Petitions and Communications

Representative Deskins moved the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 59, by Representative Deskins: A RESOLUTION adjourning the House in honor of Justice James B. Stephenson.

Representative Deskins moved the adoption of the following **HR 59**:

HR 59, A RESOLUTION adjourning the House in honor of Justice James B. Stephenson.

With deep respect and fond memories we bid farewell to our dear friend James Stephenson upon the occasion of his retirement from the Kentucky Supreme Court.

WHEREAS, Supreme Court Justice James B. Stephenson is retiring from public service at the end of this month; and

WHEREAS, born in Greenup, Kentucky, James B. Stephenson grew up in Pikeville the son of Circuit Court Judge and State Senator E.D. Stephenson and Emabel Bennett Stephenson; and

WHEREAS, a graduate of the University of Kentucky, James Stephenson began his practice of law in Pikeville in 1940 and proudly served his country in World War II with the Army Air Force, where his unit was decorated with seven Battle Stars and a Presidential Unit Citation; and

WHEREAS, James B. Stephenson returned to Pikeville and joined practice with his father before being elected Circuit Judge for the 35th Judicial District for Pike County in 1957; and

WHEREAS, James B. Stephenson was reelected with distinction to the Circuit Court judgeship in 1963 and 1969, before being selected in 1972 to sit on the Kentucky Court of Appeals which is now the Kentucky Supreme Court; and

WHEREAS, reelected in 1980 to serve the 7th Appellate District, James B. Stephenson is retiring after

sixteen years on the Commonwealth's highest court; and

WHEREAS, Justice Stephenson's friends and colleagues revere him for his honor, integrity, and impartiality; and

WHEREAS, the remarkable abilities and devotion of Justice James B. Stephenson will be sorely missed by the Commonwealth's highest court and every citizen will experience the void left by the retirement of this dedicated and discerning jurist;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of this august body, both individually and collectively, do hereby commend James B. Stephenson to be an outstanding citizen and exemplary representative of the Commonwealth.

Section 2. That when the House does adjourn this day, Wednesday, December 14, 1988, it does so in honor of Justice James B. Stephenson.

Section 3. That the House bestows its best wishes to Justice Stephenson in all of his future endeavors.

On the roll call the vote was: Yeas 86, Nays 2. (See December 14, 1988 roll call on **HR 59** - Appendix A.)

HR 59 was adopted.

Representative White moved the rules be suspended for the purpose of recording a vote. Agreed.

Representative White moved that she be recorded as voting "yea" on **SB 2**. Agreed.

Representative Geveden moved the adoption of the following **SCR 14**:

SCR 14, A CONCURRENT RESOLUTION urging the Secretary of the Kentucky Transportation Cabinet to name the new bridge on US Highway 51 at the south end of Wickliffe in honor of B. Allie Hall.

WHEREAS, Mr. B. Allie Hall spent his entire life in service to Ballard County, including holding such offices as County Judge/Executive, County Court Clerk and Deputy Sheriff; and

WHEREAS, B. Allie Hall took great pride in his native Ballard County and this interest and pride in community earned him the respect of all those who knew him; and

WHEREAS, As County Judge/Executive and with his skill as a licensed surveyor, Mr. Hall worked closely with personnel of the Department of Highways and especially with the District Engineer of Highway District #1 on many projects in the Jackson Purchase area; and

WHEREAS, a most appropriate tribute to the work of B. Allie Hall's life and acknowledgement of his many contributions to all of Kentucky would be the naming of the new bridge of US Highway 51 in his beloved Ballard County in his memory;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That the Secretary of the Kentucky Transportation be urged to name the new bridge of US Highway 51 at the south end of Wickliffe in honor of Mr. B. Allie Hall of Ballard County.

Section 2. That a copy of this resolution be sent to the Governor of the Commonwealth of Kentucky, the Secretary of the Kentucky Transportation Cabinet and the District Engineer of Highway District #1 in Paducah.

SCR 14 was adopted by voice vote.

Representative Callahan moved the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 56, by Representatives Donnermeyer and Callahan: A RESOLUTION in memory of Tom Faust.

Representative Callahan moved the adoption of the following **HR 56**:

HR 56, A RESOLUTION in memory of Tom Faust.

WHEREAS, Tom Faust was not only a loyal football fan, but a loyal friend. He understood that that which comprised an athletic program was the people who supported it. He understood the special pressures and stress with which coaches and administrators are faced and was always prepared to lend a hand; and

WHEREAS, Tom Faust donated countless hours working as a booster at Thomas More College, Newport Central Catholic, and the St. Vincent DePaul Society. Even after his sons graduated from high school and college, Tom would continue to support those schools. No fair weather fan was he. Once he began a job, he would see it through. Tom was truly the quintessential athletic supporter; and

WHEREAS, Tom Faust had a clarity of understanding for athletic competition in its purest sense. He understood that winning should not be judged solely by the score on the toteboard. That what makes Notre Dame such a remarkable college football institution is its tradition of excellence in the academic area as well as on the gridiron; and

WHEREAS, Notre Dame is one step away from its first national championship since 1977. Tom will not be in Tempe, Arizona on January 1st watching his Fighting Irish take on the West Virginia Mountaineers. He will be watching this great duel with Knute, the Four Horsemen, and the Gipper; and

WHEREAS, by his example, Tom Faust has left a peerless legacy of enthusiasm and appreciation for good sportsmanship;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House honor the memory of Tom Faust, friend of the Fighting Irish, and offer its condolences to his family.

Section 2. That a copy of this resolution be sent to his wife, Millie Faust, Bellevue, Kentucky.

HR 56 was adopted by voice vote.

Representative Robinson moved the rules be suspended for the purpose of recording votes. Agreed.

Representative Robinson moved that he be recorded as voting "yea" on **HR 53**. Agreed.

Representative Robinson moved that he be recorded as voting "yea" on **HR 32**. Agreed.

Representative Robinson moved that he be recorded as voting "yea" on **HR 52**. Agreed.

Representative Robinson moved that he be recorded as voting "yea" on **HR 55**. Agreed.

Representative Robinson moved that he be recorded as voting "yea" on **SB 2**. Agreed.

Representative Gregory moved the rules be suspended for the purpose of recording a vote. Agreed.

Representative Gregory moved that he be recorded as voting "yea" on **SB 2**. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **HCR 34** and **HB 1** had been examined and found correctly enrolled. Said Bill read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

HCR 34 and **HB 1** delivered to the Senate, signed by the President. Ordered delivered to the Governor.

Representative Riner moved the rules be suspended to introduce and act upon Resolutions. Agreed.

HR 58, by Representative Riner: A RESOLUTION recognizing the Armenian Tragedy.

Representative Riner moved the adoption of the following **HR 58**:

HR 58, A RESOLUTION recognizing the Armenian Tragedy.

WHEREAS, it is with heavy hearts, and deep sadness, when we reflect upon the recent earthquake disaster occurring in Soviet Armenia; and

WHEREAS, an earthquake struck Soviet Armenian territory on Wednesday, December 7, 1988, with the outcome crippling a nation; and

WHEREAS, the world mourns at the grief and suffering afflicted upon these people; and

WHEREAS, even through tragedy, the Armenians exhibit their courage with cries of freedom and independence; and

WHEREAS, we commend the relief organizations for their outstanding contribution to the Armenian tragedy;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body expresses its profound grief over the recent earthquake disaster in Soviet Armenian territory.

Section 2. That this honorable body hails the bold and courageous spirit of the Soviet Armenians in championing the cause of freedom and democracy among the Soviet Satellite countries.

Section 3. That this honorable body invites citizens of the Commonwealth to send money donations to the following relief organizations: The Presbyterian Church U.S.A., World Service-Armenian Relief, 100 Witherspoon St., Louisville, Kentucky 40202; American Red Cross, Louisville Area Chapter, 510 E. Chestnut, Louisville, Kentucky 40202; Armenian General Benevolent Union, 535 Saddle River Rd., Saddle Brook, New Jersey 07662; Catholic Medical Mission Board, 10 West 17th St., New York, N.Y. 10011; and World Vision, Box 0, Pasadena, California 91109; and donations of tents, blankets, sleeping bags and warm clothing can be sent to the Armenian Relief Society of North America, 80 Bigelo, Watertown, Massachusetts 02172.

Section 4. That the Clerk of the House of Representatives is directed to transmit copies of this resolution to the above mentioned relief organizations.

HR 58 was adopted by voice vote.

HR 57, by Representative Riner: A RESOLUTION commending members of the 101 Airbourne Division on the third anniversary of the Arrow Air crash.

Representative Riner moved the adoption of the following **HR 57**:

HR 57, A RESOLUTION commending members of the 101 Airbourne Division on the third anniversary of the Arrow Air crash.

WHEREAS, the 101 Airbourne Division is a multinational force, ten nation peace keeping mission consisting of 550 dedicated men; and

WHEREAS, these men, like those that died three years ago, are no less important than the Blue Berets of the United Nations that received a Nobel Prize for their commitment and sacrifice; and

WHEREAS, the men of this division make it increasingly evident that peace keeping can be used to moderate great power differences;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives proudly commends the members of the 101 Airbourne Division on the third anniversary of the Arrow Air crash that killed 248 members of the 101 Airbourne Division and all eight crew members.

Section 2. That a copy of this resolution be sent to Wat T. Cluberius, Director General of Multinational Force and Observer, c/o American Embassy, APO New York 09794-0007 and to the Commander of the U.S. Batallion MFO, Sinai South Camp, APO New York 09679.

HR 57 was adopted by voice vote.

Representative Stumbo moved that the rules be suspended for the purpose of making a motion concerning co-sponsors. Agreed.

Representative Stumbo moved that all properly filed co-sponsor requests be approved. Agreed.

The following members filed requests to have their names added as co-sponsors of a Resolution:

HR 53, Representatives Ark, Arnold, Ballard, Casebier, Castleman, Handy, Hatcher, Hourigan, Kerr, Lile, Little, Long, Mack, Mason, Meyer, Moberly, Preston, Ridley, B. Smith, Todd, Turner.

Representative Stumbo moved that when the House adjourns, it do so by voice vote. Agreed.

Representative Stumbo moved that when the House adjourns, it adjourn sine die. Agreed.

Representative Stumbo moved that no further business be conducted on this day except Senate Messages, Enrollment of Bills and Resolutions and approval of the Journal. Agreed.

Recess

Representative Stumbo moved that the House recess until the hour of 4:30 p.m. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 2, SCR 14** and **SCR 7** had been examined and found correctly enrolled. Said Bill read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

Representative Stumbo moved that the reading of the Journal of this day, December 14, 1988, be dispensed with and the same approved. Agreed.

Representative Stumbo moved that the Journal of the House of Representatives for the Extraordinary Session of 1988 be approved. Agreed.

The Journal of the House of Representatives was read, compared and approved.

Adjournment

Representative Stumbo moved that the House adjourn sine die.

The motion that the House adjourn sine die was adopted by voice vote.

The House adjourned sine die.

APPROVED: s/Donald J. Blandford, Speaker
House of Representatives

ATTEST: s/Evelyn Marston, Chief Clerk
House of Representatives

HISTORY OF HOUSE BILLS

(Numbers refer to page of House Journal. The text of a bill is given on first reading. Sponsors are indicated on the page of introduction.)

***Voting modifications appear at the member's name in the subject index.**

Bill No.	Intro-duced	Re-ferred	Re-ported	Readings 1st	Readings 2nd	Readings 3rd	Sub. or Amend	Voting*	Senate Message	Concur Activities	En-rolled	Other Action
HB 1	1	4	54	54	85	95	14, 68, 88, 90, 91, 92, 93, 135, 151, 152, 153, 154	96, 154	129	135, 151, 152, 153, 154	158	4, 39, 54, 85, 101
HB 2	9	11										13
HB 3	9	11										13
HB 4	9	11										14, 39, 41, 54, 81, 86, 99, 128
HB 5	13	13	21	21	41	49	29, 37, 46	49				
HB 6	13	13	17	17	37	49	18	49	120		121	14, 41, 81
HB 7	17	85										

HISTORY OF HOUSE RESOLUTIONS

(Numbers refer to page of House Journal. The text of a resolution is given on first reading or adoption. Joint resolutions are designated HJR; concurrent resolutions are designated HCR.)

***Voting modifications appear at the member's name in the subject index.**

Res. No.	Introduced	Referred	Reported	Readings 1st	Readings 2nd	Readings 3rd	Sub. or Amend	Voting*	Senate Message	Concur Activities	Enrolled	Other Action
HR 1	1							2				
HR 2	1							2				
HR 3	1							3				3
HR 4	8							9				9
HR 5	9							20				54
HR 6	11							14				
HR 7	17							39				
HR 8	17							19				20, 39, 54, 128
HR 9	41							42				
HR 10	41							43				43, 54
HR 11	41							45				
HR 12	41							44				54
HR 13	41							46				
HR 14	48							51				54
HR 15	48							51				54
HR 16	48							52				54
HR 17	48							52				54
HR 18	47							47				
HR 19	48							48				
HR 20	49							53				
HR 21	49							50				
HR 23	85							86, 88				88
HR 24	87							87				
HR 25	87							88				
HR 26	95							97				97
HR 27	95							135				99
HR 28	95							96				99, 128
HR 29	95							98				
HR 30	98							99				
HR 31	102							102				
HR 32	114							133				133
HR 33	114							117				
HCR 34	114							126	129		158	
HR 35	113							114				
HR 36	114							119				
HR 37	114							118				
HR 38	114							119				
HR 39	114							115				
HR 40	114							116				
HR 41	114							117				
HR 42	121							128				128
HR 43	121							126				
HR 44	121							123				
HR 45	121							125				
HR 46	121							127				
HR 47	121							124				
HR 48	121							125				
HR 49	121							122				
HR 50	121							123				
HR 51	129							130				
HR 52	129							133				133
HR 53	129							134				133, 159
HR 54	129							130				
HR 55	129							131				131
HR 56	157							158				
HR 57	159							159				
HR 58	158							158				
HR 59	155							156				

HISTORY OF SENATE BILLS

(Numbers refer to page of House Journal. The text of a bill is given on first reading.)

***Voting modifications appear at the member's name in the subject index.**

Bill No.	Senate Message	Referred	Reported	Readings 1st	Readings 2nd	Readings 3rd	Sub. or Amend	Voting*	Concur Activities	Enrolled	Other Action
SB 2	85	95	102	102	114	129	110, 120	129		160	96, 101, 102, 114, 156, 157, 158

HISTORY OF SENATE RESOLUTIONS

(Numbers refer to page of House Journal. The text of a resolution is given on first reading or adoption. Joint resolutions are designated SJR; concurrent resolutions are designated SCR.)

***Voting modifications appear at the member's name in the subject index.**

Bill No.	Senate Message	Referred	Reported	Readings 1st	Readings 2nd	Readings 3rd	Sub. or Amend	Voting*	Concur Activities	Enrolled	Other Action
SCR 7	120							155		160	
SCR 14	129							157		160	
SCR 15	129							165			

SUBJECT INDEX

ACKERSON, JON
HR 4, 10, 14, 15, 16, 17, 27, 42, 53, 55

ADAMS, SIDNEY
HR 4, 26, 32, 52, 53, 55

ADKINS, ROCKY
HR 4, 5, 8, 10, 20, 26, 32, 42, 52, 53, 55

ADMINISTRATIVE REGULATIONS AND PROCEEDINGS
Department of Military Affairs, Vietnam Veterans' Bonus - HB 5
Promulgation of Veterans' Bonus regulations by Adjutant General - HB 4

AGRICULTURE
Louie B. Nunn, appointment to USDA - HR 28

ALLEN, WILLARD "WOODY"
HR 4, 8, 10, 14, 15, 16, 17, 32, 42, 52, 53, 55; HB 5

ALTMAN, RAY
HR 4, 8, 10, 14, 15, 16, 17, 26, 32, 37, 42, 52, 53, 55

APPROPRIATIONS
Administration of Veterans' Bonus by Department of Military Affairs - HB 4
Department of Military Affairs, Vietnam Veterans' Bonus - HB 5
Lottery proceeds - Human Resources and Education - HB 2
LRC, appropriation for 1988 Extraordinary Session - HB 6

ARK, BILLIE "BILL"
HR 4, 8, 10, 20, 26, 32, 42, 52, 53, 55; HB 5

ARNOLD, ADRIAN
HR 4, 8, 10, 26, 32, 42, 52, 53, 55; HB 5

BALLARD, JOSEPH "EDDIE"
HR 4, 5, 8, 10, 20, 26, 32, 34, 42, 52, 53, 55; HB 5

BARROWS, JOSEPH "JOE"
HR 4, 5, 10, 13, 23, 24, 26, 32, 39, 40, 41, 42, 52, 53

BLANDFORD, DONALD "DON"
HR 1, 2, 3, 4, 8, 10, 20, 26, 32, 42, 52, 53, 55; HB 6

BLEVINS, WALTER
HR 4, 8, 10, 13, 20, 26, 28, 32, 42, 50, 52, 53, 55; HB 5

BONDS, PUBLIC
Revenue bonds for Vietnam Veterans' Bonus - HB 5

BRONGER, JOHN "JERRY"
HR 4, 5, 8, 10, 20, 26, 29, 32, 42, 52, 53, 55; HB 5

BROWN, JAMES "JIMMY"
HR 4, 8, 10, 20, 26, 32, 42, 52, 53, 55

BROWN, MARK
HR 4, 8, 10, 20, 32, 42, 52, 53, 55; HB 5

BRUCE, JAMES
HR 4, 5, 8, 26, 28, 32, 34, 42, 52, 53, 55; HB 5

BUDGET AND FINANCIAL ADMINISTRATION
Human Resources and Education - HB 2
LRC, appropriation for 1988 Extraordinary Session - HB 6

BURCH, THOMAS "TOM"
HR 4, 10, 20, 26, 29, 32, 42, 52, 53, 55

CALLAHAN, JAMES "JIM"
HR 4, 8, 10, 20, 23, 25, 26, 32, 35, 42, 45, 52, 55, 56; HB 5

CASEBIER, LINDELL "LINDY"
HR 4, 5, 10, 13, 14, 15, 16, 17, 26, 32, 42, 46, 52, 53, 55

CASTLEMAN, DICK
HR 4, 8, 10, 20, 26, 32, 42, 52, 53, 55

CLARK, LAWRENCE "LARRY"
HR 4, 8, 10, 13, 20, 26, 27, 29, 32, 42, 50, 51, 52, 53, 55; HB 5

CLARK, PAUL
HR 4, 5, 8, 10, 20, 26, 29, 32, 42, 52, 53, 55

CLARKE, JOSEPH "JOE"
HR 4, 32, 42, 52, 53, 55; HB 2

CLINE, LOWELL "GENE"
HR 4, 8, 10, 26, 32, 42, 52, 53, 55; HB 5

COMMENDATIONS AND RECOGNITIONS
Adams, Rep. Sidney - HR 86
Armenian Tragedy - HR 58
Bennett, Al - HR 46
Birdwhistell, Julian - HR 47
Brown, Rep. Jimmy - HR 17
Bryant, Sec. Milo D. - HR 10
Cassady, Kenneth G. - HR 29
Cooper, Judge Kenton J. - HR 44
Covington Catholic football team - HR 25
Estep, Bill - HR 50
Gray, Rep. J.R. - HR 20
Guenthner, Rep. Louie - HR 36
Handy, Rep. Ben - HR 52
Harlan Boys Choir - HR 31
Hofer, Catherine - HR 49
Hoover, Rep. Mae - HR 14
Jones, Dr. James Edward - HR 37

COMMENDATIONS AND RECOGNITIONS (cont'd)
Jones, Rep. Bob - HR 32
Kaiser, Robert - HR 50
Kinsolving, Lucien L. - HR 6
Knox Central Dance Cats - HR 18
Lexington Herald-Leader - HR 50
Lynn, Mayor Gil - HR 45
McWilliams, Mary Jane - HR 19
Martin, Don - HR 39
Maze, Irv - HR 51
Meredith, Coach Marvin - HR 38
Meyer, Rep. Joe - HR 23
Nativity scene - HR 8
One Hundred First Airbourne Division - HR 57
Parks, Dr. Clay - HR 13
Picadome school and community - HR 11
Ratcliffe, Jim - HR 13
Robinson, Rep. Albert - HR 15
Rodgers, Waymon L. - HR 7
Seum, Rep. Dan - HR 26
Stalker, Marshall - HR 43
State cross country team - HR 35
State Government Committee staff - HR 54
Stephenson, Justice James B. - HR 59
Trinity High School football team - HR 27
USS Louisville, commander and crew - HR 9
Vice, Joan - HR 40
Wilkinson, Gov. Wallace - HR 48
Will, Rep. Jack - HR 16

CORPORATIONS
State lottery, establish corporation for - HB 1

CRUPPER, CLAY
HR 4, 8, 10, 23, 26, 32, 42, 52, 53, 55

CURD, FREED
HR 4, 8, 10, 13, 20, 32, 42, 52, 53, 55

CYRUS, RONALD "RON"
HR 4, 5, 8, 10, 26, 29, 32, 38, 42, 52, 53, 55; HB 5

DESKINS, HERBERT "HERBIE"
HR 8, 32, 52, 53, 55, 59

DONNERMEYER, WILLIAM "BILL"
HR 4, 8, 10, 23, 25, 26, 32, 35, 42, 45, 52, 53, 55, 56; HB 1, 3, 5

ECONOMIC DEVELOPMENT
Establish state lottery - HB 1, 3

EMERGENCY OR SPECIAL EFFECTIVE DATE
LRC, appropriation for 1988 Extraordinary Session - HB 6

FARROW, MARK
HR 4, 8, 10, 20, 26, 32, 41, 42, 52, 53, 55; HB 5

FORD, DANNY
HR 4, 5, 8, 10, 14, 15, 16, 17, 26, 28, 32, 42, 52, 53, 55

FREIBERT, PATRICIA "PAT"
HR 4, 8, 10, 14, 15, 16, 17, 28, 32, 42, 52, 53, 55; HB 5

GAMBLING
Establish state lottery - HB 1, 3
Lottery, appropriation of proceeds - HB 2
Lottery games based exclusively on horse races - HB 7
Lottery proceeds designated for Vietnam Veterans' Bonus - HB 4, 5

GEDLING, DONALD "DONNIE"
HR 4, 5, 8, 10, 26, 32, 42, 52, 53, 55

GENERAL ASSEMBLY
Adams, Rep. Sidney - HR 86
Adjournment - HR 4, 12, 21, 24, 33, 43, 55, 59; SCR 15
Adopt rules for 1988 Extraordinary Session - HR 1
Appoint committee to wait upon the Governor - HR 3
Bennett, Al - HR 46
Brown, Rep. Jimmy - HR 17
Gray, Rep. J.R. - HR 20
Guenthner, Rep. Louie - HR 36
Handy, Rep. Ben - HR 52
Hoover, Rep. Mae - HR 14
Invitation to Frankfort Pastors - HR 2
Jones, Rep. Bob - HR 32
LRC, appropriation for 1988 Extraordinary Session - HB 6
Meyer, Rep. Joe - HR 23
Robinson, Rep. Albert - HR 15
Seum, Rep. Dan - HR 26
Will, Rep. Jack - HR 16

GEVEDEN, CHARLES
HR 4, 26, 32, 52, 53, 55

GOVERNOR
Address to General Assembly - p. 4
Nativity scene, support of- HR 8
Proclamation Convening Session - p. 3
State employes and teachers, health care costs - HR 41
State employes and teachers, health insurance for - HR 53

GRAY, J.R.
HR 4, 5, 8, 10, 26, 29, 32, 42, 52, 53, 55

GREGORY, CHESTER "BUD"
HR 4, 5, 8, 10; HB 5
Voting modifications - SB 2 Y, p. 158

GUENTHNER, LOUIE
HR 4, 5, 8, 10, 27, 32, 52, 53, 55

HANCOCK, CHARLES "HANK"
HR 4, 10, 26, 32, 34, 35, 41, 42, 46, 52, 53, 55; HB 5, 7
Committee to wait upon the Governor, appointment — p. 3

HANDY, BENNY "BEN"
HR 4, 8, 10, 20, 26, 32, 42, 52, 53, 55; HB 5
Voting modification - HB 1 Y, p. 102

HARPER, JOHN
HR 4, 5, 8, 10, 14, 15, 16, 17, 26, 28, 30, 32, 42, 49, 52, 53, 55; HB 5

HARPER, KENNETH "KEN"
HR 4, 8, 10, 14, 15, 16, 17, 23, 25, 26, 32, 35, 42, 52, 53, 55; HB 5

HATCHER JR., ELIJAH "PORTER"
HR 4, 8, 10, 26, 29, 42, 52, 53, 55; HB 5

HELERINGER, ROBERT "BOB"
HR 4, 8, 10, 14, 15, 16, 17, 26, 27, 32, 36, 42, 43, 52, 53, 55

HIGHWAYS, STREETS AND BRIDGES
Road signs, Frankfort exit - HR 30
Secretary Milo D. Bryant, commend for anti-litter campaign - HR 10
U.S. Highway 51, name bridge for B. Allie Hall - SCR 14

HOOVER, LULA "MAE"
HR 4, 8, 26, 32, 42, 44, 52, 53, 55

HOURIGAN, DAVID
HR 4, 8, 10, 26, 32, 42, 52, 53, 55; HB 5
Committee to wait upon the Governor, appointment - p. 3

INSURANCE
State employees and teachers, health care costs - HR 41
State employees and teachers, health insurance for - HR 53

JACKSON, CLARENCE
HR 4, 8, 10, 20, 26, 32, 42, 52, 53, 55

JOHNSON, EDWARD "LOUIS"
HR 4, 5, 32, 42, 52, 53, 55
Voting modification - HB 1 N, p. 101

JONES, ALBERT
HR 4, 8, 10, 20, 26, 32, 42, 52, 53, 55

JONES, ROBERT "BOB"
HR 4, 35, 42, 55

JONES, THOMAS "TOM"
HR 4, 5, 13, 26, 32, 41, 42, 47, 52, 53, 55

KEITH, STEPHEN
HR 4, 8, 10, 12, 13, 14, 15, 16, 17, 26, 32, 42, 52, 53; HB 5

KERR, THOMAS
HR 4, 8, 10, 20, 23, 25, 26, 32, 42, 52, 53, 55; HB 5

LAYMAN, RONALD "RONNY"
HR 4, 8, 10, 14, 15, 16, 17, 26, 32, 42, 52, 53, 55

LEMASTER, JAMES "JIM"
HR 4, 8, 10, 26, 32, 42, 52, 53, 55

LEAR, WILLIAM "BILL"
HR 10, 26, 32, 42, 52, 53, 55

LEFEVERS, PEARL "PEARL RAY"
HR 4, 5, 8, 10, 13, 14, 15, 16, 17, 26, 28, 32, 42, 52, 53, 55

LEGISLATIVE CITIATIONS
Baird, Coach Kelly - L.C. 2, p. 43
Bryant, Milo D. - L.C. 7, p. 101
Chung, Richard - L.C. 10, p. 131
Douglass, Joey - L.C. 5, p. 49
Eck, Mark - L.C. 1, p. 11
Hart County Division DES - L.C. 8, p. 101
Picadome Elementary School PTA - L.C. 6, p. 88
U.S.S. Louisville, commander and crew - L.C. 4, p. 39
White, Sam - L.C. 11, p. 132

LILE, WILLIAM "BILL"
HR 4, 8, 10, 13, 16, 17, 26, 32, 42, 52, 53, 55; HB 5

LITTLE, N. "CLAYTON"
HR 4, 26, 32, 42, 52, 53, 55; HB 5

LONG, MARSHALL
HR 4, 6, 8, 10, 20, 26, 32, 41, 42, 52, 53, 55; HB 5

LOTTERY
Commission, establishment of - HB 3
Corporation, establishment of - HB 1
Horse racing, based upon - HB 7
Proceeds, appropriation of - HB 2
Vietnam Veterans' Bonus - HB 4, 5

LUNDERGAN, GERALD "JERRY"
HR 4, 8, 10, 26, 32, 42, 52, 53, 55

LYNE, JUNE
HR 4, 8, 10, 32, 33, 42, 52, 53, 55

MACK, LOUIS
HR 4, 8, 10, 26, 32, 42, 52, 53, 55; HB 5

MAGGARD, JAMES "JIM"
HR 4, 8, 10, 24, 26, 32, 34, 40, 42, 52, 53, 55; HB 5

MASON, PAUL
HR 4, 8, 10, 20, 26, 32, 42, 52, 53, 55; HB 5

McBEE, WILLIAM "BILL"
HR 4, 8, 10, 23, 25, 26, 32, 35, 42, 52, 53, 55

McELROY, SAM
HR 4, 8, 10, 26, 32, 42, 52, 53, 55

MEMORIALS
Boswell, Dr. James M. - HR 12
Brinkley, Mrs. Betty - HR 4
Faust, Tom - HR 56
Melton, Louis Gilbert, Sr. - HR 5
Milam, George Samuel - HR 33
Orbison, Roy - HR 24
Tarter, Roger F. - HR 21
Wood, Linda - HR 55

MEYER, JOSEPH "JOE"
HR 4, 8, 10, 25, 26, 32, 35, 42, 52, 53; HB 5

MOBERLY, HARRY
HR 13, 24, 26, 32, 42, 52, 53, 55

MORRIS, HENRY "RAMSEY"
HR 4, 8, 26, 28, 32, 34, 42, 52, 53, 54, 55; HB 5

NAPIER, LONNIE
HR 4, 5, 8, 10, 14, 15, 16, 17, 24, 26, 28, 32, 39, 40, 42, 52, 53, 55; HB 5

NETT, CARL
HR 4, 10, 13, 26, 29, 32, 42, 52, 53, 55

NOE, ROGER
HR 4, 5, 12, 13, 23, 24, 26, 31, 32, 42, 52, 53, 55

NOLAND, CLARENCE
HR 4, 5, 8, 10, 14, 15, 16, 17, 26, 28, 32, 42, 52, 53, 55; HB 5

NORTHUP, ANNE
HR 4, 8, 10, 14, 15, 16, 17, 26, 27, 32, 42, 52, 53, 55

O'BRIEN, MARK
HR 4, 8, 10, 26, 29, 32, 52, 53, 55

OVERSTREET, RAYMOND
HR 4, 14, 15, 16, 17, 21, 32, 42, 48, 52, 53, 55

PERSONNEL
State employees and teachers, health insurance for - HR 53

PUBLIC OFFICERS AND EMPLOYEES
Establish state lottery commission - HB 3
Health care costs, request Governor's assistance - HR 41
State employees and teachers, health insurance for - HR 53

PRESTON, RAY
HR 4, 5, 8, 14, 15, 16, 17, 24, 26, 32, 52, 53, 55; HB 5

PRIDDY, DOROTHY "DOTTIE"
HR 4, 8, 20, 26, 29, 32, 52, 53, 55; HB 5

PRITCHETT, AARON "A. G."
HR 4, 8, 10, 26, 32, 42, 52, 53, 55

RACING
Lottery games based exclusively on horse races - HB 7

RAPIER, WILLIAM "KENNY"
HR 1, 2, 3, 4, 8, 10, 13, 26, 32, 42, 52, 53, 55; HB 6

REINHARDT, JON "JON DAVID"
HR 4, 8, 14, 15, 16, 17, 23, 25, 26, 32, 42, 52, 53, 55

RICHARDS, WALTER "JODY"
HR 1, 2, 3, 4, 8, 10, 26, 32, 42, 52, 53, 55; HB 6

RICHARDSON, BOBBY
HR 4, 10, 32, 52, 53, 55

RICHARDSON, PAUL
HR 4, 8, 10, 26, 32, 34, 42, 52, 53, 55; HB 5

RIDLEY, J. "DORSEY"
HR 4, 8, 10, 20, 26, 32, 52, 53, 55

RINER, THOMAS "TOM"
HR 4, 5, 7, 9, 10, 26, 29, 32, 42, 52, 53, 55, 57, 58

ROBINSON, ALBERT
HR 4, 5, 8, 10, 20, 26, 28, 42; HB 5
Voting modifications - HR 53 Y, p. 157; HR 32 Y, p. 157; HR 52 Y, p. 157; HR 55 Y, p. 157; SB 2 Y, p. 157

SCORSONE, ERNESTO
HR 4, 5, 10, 11, 13, 26, 32, 42, 52, 53, 55

SEUM, DAN
HR 4, 5, 8, 10, 29, 32, 42, 52, 53, 55; HB 5

SILER, CHARLES
HR 4, 8, 10, 12, 14, 15, 16, 17, 20, 26, 32, 34, 42, 52, 53, 55; HB 5

SMITH, WILLIAM "BILLY RAY"
HR 4, 8, 26, 32, 52, 53, 55

SMITH, CALVIN "REX"
HR 4, 10, 32, 42, 52, 53, 55; HB 5

STATE AGENCIES
Human Resources and Education, appropriation to - HB 2

STRONG, WILLIAM
HR 4, 5, 8, 10, 14, 15, 16, 17, 26, 31, 32, 42, 52, 53, 55; HB 5

STUMBO, GREGORY "GREG"
HR 1, 2, 3, 4, 5, 8, 10, 26, 32, 42, 52, 55; HB 1, 4, 6

TAXATION
Tax credit for tracks conducting horse races used for lottery - HB 7

TODD, THOMAS "TOMMY"
HR 4, 8, 10, 14, 15, 16, 17, 26, 32, 42, 52, 53, 55

TRANSPORTATION
Road signs, Frankfort exit - HR 30
Secretary Milo D. Bryant, commend for anti-litter campaign - HR 10
U.S. Highway 51, name bridge for B. Allie Hall - SCR 14

TURNER, RICHARD
HR 4, 8, 10, 14, 15, 16, 17, 20, 24, 32, 42, 52, 53, 55; HB 5

UNITED STATES
Louis B. Nunn, appointment to USDA - HR 28

VETERANS AFFAIRS
Veterans' bonus, jeopardized by U.S. legislation - HCR 34; SCR 7
Vietnam Veterans' Bonus - HB 4, 5

WALKER II, HENRY "LAWSON"
HR 4, 8, 10, 14, 15, 16, 17, 23, 25, 26, 32, 35, 42, 52, 53, 55

WHITE, CAROLINE
HR 4, 5, 8, 10, 18, 19, 26, 28, 42; HB 5
Committee to wait upon the Governor, appointment - p. 3
Voting modification - SB 2 Y, p. 155

WILL, JOHN "JACK"
HR 4, 8, 10, 20, 32, 34, 42, 52; HB 5

WORTHINGTON, PETE
HR 1, 2, 3, 4, 8, 10, 32, 35, 42, 52, 53, 55; HB 6

YATES, JAMES "JIM"
HR 4, 8, 10, 20, 26, 29, 32, 42, 52, 55; HB 5

HB 1 (Dec 8) Yeas 90-J. Ackerson, S. Adams, R. Adkins, W. Allen, R. Altman, B. Ark, A. Arnold, E. Ballard, J. Barrows, D. Blandford, W. Blevins, J. Bronger, J. Brown, M. Brown, J. Bruce, T. Burch, J. Callahan, L. Casebier, D. Castleman, L. Clark, P. Clark, J. Clarke, G. Cline, C. Crupper, F. Curd, R. Cyrus, H. Deskins, B. Donnermeyer, M. Farrow, D. Ford, P. Freibert, D. Gedling, C. Geveden, J. Gray, B. Gregory, L. Guenthner, H. Hancock, J. Harper, K. Harper, B. Heleringer, M. Hoover, D. Hourigan, C. Jackson, A. Jones, B. Jones, T. Jones, T. Kerr, R. Layman, J. LeMaster, B. Lear, P. Lefevers, B. Lile, C. Little, M. Long, J. Lundergan, L. Mack, J. Maggard, P. Mason, B. McBee, S. McElroy, J. Meyer, H. Moberly, R. Morris, L. Napier, C. Nett, R. Noe, C. Noland, A. Northup, M. O'Brien, R. Overstreet, R. Preston, D. Priddy, A. Pritchett, K. Rapier, J. Reinhardt, J. Richards, P. Richardson, D. Ridley, E. Scorsone, D. Seum, C. Siler, B. Smith, R. Smith, W. Strong, G. Stumbo, L. Walker, C. White, J. Will, P. Worthington, J. Yates. **Nays** 5-S. Keith, J. Lyne, T. Riner, A. Robinson, R. Turner.

HB 1 (Dec 14) Yeas 92-J. Ackerson, R. Adkins, W. Allen, R. Altman, B. Ark, A. Arnold, E. Ballard, J. Barrows, D. Blandford, W. Blevins, J. Bronger, J. Brown, M. Brown, J. Bruce, T. Burch, J. Callahan, L. Casebier, D. Castleman, L. Clark, P. Clark, J. Clarke, G. Cline, C. Crupper, F. Curd, R. Cyrus, H. Deskins, B. Donnermeyer, M. Farrow, D. Ford, P. Freibert, D. Gedling, C. Geveden, J. Gray, B. Gregory, L. Guenthner, H. Hancock, B. Handy, J. Harper, K. Harper, B. Heleringer, M. Hoover, D. Hourigan, C. Jackson, A. Jones, B. Jones, T. Jones, T. Kerr, R. Layman, J. LeMaster, B. Lear, P. Lefevers, B. Lile, C. Little, M. Long, J. Lundergan, L. Mack, J. Maggard, P. Mason, B. McBee, S. McElroy, J. Meyer, H. Moberly, R. Morris, L. Napier, C. Nett, R. Noe, C. Noland, A. Northup, M. O'Brien, R. Overstreet, R. Preston, D. Priddy, A. Pritchett, K. Rapier, J. Reinhardt, J. Richards, B. Richardson, P. Richardson, D. Ridley, E. Scorsone, D. Seum, C. Siler, B. Smith, R. Smith, W. Strong, G. Stumbo, T. Todd, L. Walker, C. White, J. Will, P. Worthington, J. Yates. **Nays** 6-L. Johnson, S. Keith, J. Lyne, T. Riner, A. Robinson, R. Turner.

HB 5 (Dec 6) Yeas 97-J. Ackerson, S. Adams, R. Adkins, W. Allen, R. Altman, B. Ark, A. Arnold, E. Ballard, J. Barrows, D. Blandford, W. Blevins, J. Bronger, J. Brown, M. Brown, J. Bruce, T. Burch, J. Callahan, L. Casebier, D. Castleman, L. Clark, P. Clark, J. Clarke, G. Cline, C. Crupper, F. Curd, R. Cyrus, B. Donnermeyer, M. Farrow, D. Ford, P. Freibert, D. Gedling, J. Gray, B. Gregory, L. Guenthner, H. Hancock, B. Handy, J. Harper, K. Harper, P. Hatcher, B. Heleringer, M. Hoover, D. Hourigan, C. Jackson, L. Johnson, A. Jones, T. Jones, S. Keith, T. Kerr, R. Layman, J. LeMaster, B. Lear, P. Lefevers, B. Lile, C. Little, M. Long, J. Lundergan, J. Lyne, L. Mack, J. Maggard, P. Mason, B. McBee, S. McElroy, J. Meyer, H. Moberly, R. Morris, L. Napier, C. Nett, R. Noe, C. Noland, A. Northup, M. O'Brien, R. Overstreet, R. Preston, D. Priddy, A. Pritchett, K. Rapier, J. Reinhardt, J. Richards, B. Richardson, P. Richardson, D. Ridley, T. Riner, A. Robinson, E. Scorsone, D. Seum, C. Siler, B. Smith, R. Smith, W. Strong, G. Stumbo, T. Todd, R. Turner, L. Walker, C. White, J. Will, P. Worthington, J. Yates. **Nays** 0.

HB 6 (Dec 6) Yeas 95-J. Ackerson, S. Adams, R. Adkins, W. Allen, R. Altman, B. Ark, A. Arnold, E. Ballard, J. Barrows, D. Blandford, W. Blevins, J. Bronger, J. Brown, M. Brown, J. Bruce, T. Burch, J. Callahan, L. Casebier, D. Castleman, L. Clark, P. Clark, J. Clarke, G. Cline, C. Crupper, F. Curd, R. Cyrus, B. Donnermeyer, M. Farrow, D. Ford, P. Freibert, D. Gedling, J. Gray, B. Gregory, L. Guenthner, H. Hancock, B. Handy, J. Harper, K. Harper, P. Hatcher, B. Heleringer, M. Hoover, D. Hourigan, C. Jackson, L. Johnson, A. Jones, T. Jones, S. Keith, T. Kerr, R. Layman, J. LeMaster, B. Lear, P. Lefevers, B. Lile, C. Little, M. Long, J. Lundergan, J. Lyne, L. Mack, J. Maggard, P. Mason, B. McBee, S. McElroy, J. Meyer, H. Moberly, R. Morris, L. Napier, C. Nett, R. Noe, C. Noland, A. Northup, M. O'Brien, R. Overstreet, D. Priddy, A. Pritchett, K. Rapier, J. Reinhardt, J. Richards, B. Richardson, P. Richardson, D. Ridley, T. Riner, A. Robinson, E. Scorsone, D. Seum, C. Siler, B. Smith, R. Smith, W. Strong, G. Stumbo, T. Todd, R. Turner, L. Walker, C. White, J. Will, J. Yates. **Nays** 0.

HR 23 (Dec 7) Yeas 1-J. Meyer. **Nays** 90-S. Adams, R. Adkins, W. Allen, R. Altman, B. Ark, A. Arnold, E. Ballard, J. Barrows, D. Blandford, W. Blevins, J. Bronger, J. Brown, M. Brown, J. Bruce, T. Burch, J. Callahan, L. Casebier, D. Castleman, L. Clark, P. Clark, J. Clarke, G. Cline, C. Crupper, F. Curd, R. Cyrus, B. Donnermeyer, M. Farrow, D. Ford, P. Freibert, D. Gedling, C. Geveden, J. Gray, B. Gregory, L. Guenthner, H. Hancock, B. Handy, J. Harper, K. Harper, P. Hatcher, M. Hoover, C. Jackson, A. Jones, B. Jones, T. Jones, S. Keith, T. Kerr, R. Layman, J. LeMaster, B. Lear, P. Lefevers, B. Lile, M. Long, J. Lundergan, J. Lyne, J. Maggard, P. Mason, B. McBee, S. McElroy, H. Moberly, R. Morris, L. Napier, C. Nett, R. Noe, C. Noland, A. Northup, M. O'Brien, R. Preston, D. Priddy, A. Pritchett, K. Rapier, J. Reinhardt, J. Richards, P. Richardson, D. Ridley, T. Riner, A. Robinson, E. Scorsone, D. Seum, C. Siler, B. Smith, R. Smith, W. Strong, G. Stumbo, T. Todd, R. Turner, L. Walker, C. White, J. Will, P. Worthington, J. Yates.

HR 23 (Dec 7) Yeas 89-J. Ackerson, S. Adams, R. Adkins, W. Allen, R. Altman, B. Ark, A. Arnold, E. Ballard, J. Barrows, D. Blandford, W. Blevins, J. Bronger, J. Brown, M. Brown, J. Bruce, T. Burch, J. Callahan, L. Casebier, D. Castleman, L. Clark, P. Clark, J. Clarke, G. Cline, C. Crupper, F. Curd, R. Cyrus, B. Donnermeyer, M. Farrow, D. Ford, P. Freibert, D. Gedling, C. Geveden, J. Gray, B. Gregory, H. Hancock, B. Handy, J.

Harper, K. Harper, P. Hatcher, M. Hoover, C. Jackson, A. Jones, B. Jones, T. Jones, S. Keith, T. Kerr, R. Layman, J. LeMaster, B. Lear, P. Lefevers, B. Lile, M. Long, J. Lundergan, J. Lyne, J. Maggard, P. Mason, B. McBee, S. McElroy, H. Moberly, R. Morris, L. Napier, C. Nett, R. Noe, C. Noland, A. Northup, M. O'Brien, R. Preston, D. Priddy, A. Pritchett, K. Rapier, J. Reinhardt, J. Richards, B. Richardson, P. Richardson, D. Ridley, A. Robinson, E. Scorsone, D. Seum, C. Siler, B. Smith, W. Strong, G. Stumbo, T. Todd, R. Turner, L. Walker, C. White, J. Will, P. Worthington, J. Yates. **Nays** 1-J. Meyer.

HCR 34 (Dec 13) Yeas 83-J. Ackerson, S. Adams, R. Adkins, W. Allen, R. Altman, B. Ark, A. Arnold, E. Ballard, J. Barrows, D. Blandford, W. Blevins, J. Bronger, J. Brown, M. Brown, J. Bruce, T. Burch, J. Callahan, L. Casebier, D. Castleman, L. Clark, P. Clark, G. Cline, C. Crupper, F. Curd, R. Cyrus, B. Donnermeyer, M. Farrow, D. Ford, P. Freibert, D. Gedling, J. Gray, H. Hancock, B. Handy, J. Harper, P. Hatcher, B. Heleringer, M. Hoover, C. Jackson, A. Jones, B. Jones, T. Jones, S. Keith, T. Kerr, R. Layman, J. LeMaster, B. Lear, P. Lefevers, B. Lile, C. Little, M. Long, J. Lundergan, J. Lyne, L. Mack, J. Maggard, P. Mason, B. McBee, S. McElroy, J. Meyer, H. Moberly, L. Napier, C. Nett, R. Noe, C. Noland, A. Northup, R. Overstreet, A. Pritchett, K. Rapier, J. Reinhardt, J. Richards, P. Richardson, A. Robinson, E. Scorsone, D. Seum, C. Siler, R. Smith, W. Strong, G. Stumbo, T. Todd, R. Turner, L. Walker, C. White, P. Worthington, J. Yates. **Nays** 0.

HR 59 (Dec 14) Yeas 86-R. Adkins, W. Allen, R. Altman, B. Ark, A. Arnold, E. Ballard, J. Barrows, D. Blandford, W. Blevins, J. Bronger, J. Brown, M. Brown, J. Bruce, T. Burch, J. Callahan, L. Casebier, D. Castleman, L. Clark, P. Clark, J. Clarke, C. Crupper, F. Curd, R. Cyrus, H. Deskins, B. Donnermeyer, M. Farrow, P. Freibert, D. Gedling, C. Geveden, J. Gray, B. Gregory, L. Guenthner, H. Hancock, B. Handy, J. Harper, P. Hatcher, M. Hoover, D. Hourigan, C. Jackson, L. Johnson, T. Jones, S. Keith, T. Kerr, R. Layman, J. LeMaster, B. Lear, P. Lefevers, M. Long, J. Lundergan, J. Lyne, L. Mack, J. Maggard, P. Mason, B. McBee, S. McElroy, J. Meyer, H. Moberly, R. Morris, L. Napier, C. Nett, R. Noe, C. Noland, M. O'Brien, R. Overstreet, D. Priddy, A. Pritchett, K. Rapier, J. Reinhardt, J. Richards, P. Richardson, D. Ridley, A. Robinson, E. Scorsone, D. Seum, C. Siler, B. Smith, R. Smith, W. Strong, G. Stumbo, T. Todd, R. Turner, L. Walker, C. White, J. Will, P. Worthington, J. Yates. **Nays** 2-B. Heleringer, B. Richardson.

SB 2 (Dec 14) Yeas 97-J. Ackerson, S. Adams, R. Adkins, W. Allen, R. Altman, B. Ark, A. Arnold, E. Ballard, J. Barrows, D. Blandford, W. Blevins, J. Bronger, J. Brown, M. Brown, J. Bruce, T. Burch, J. Callahan, L. Casebier, D. Castleman, L. Clark, P. Clark, J. Clarke, G. Cline, C. Crupper, F. Curd, R. Cyrus, H. Deskins, B. Donnermeyer, M. Farrow, D. Ford, P. Freibert, D. Gedling, C. Geveden, J. Gray, L. Guenthner, H. Hancock, B. Handy, J. Harper, K. Harper, P. Hatcher, B. Heleringer, M. Hoover, D. Hourigan, C. Jackson, L. Johnson, A. Jones, B. Jones, T. Jones, S. Keith, T. Kerr, R. Layman, J. LeMaster, B. Lear, P. Lefevers, B. Lile, C. Little, M. Long, J. Lundergan, J. Lyne, L. Mack, J. Maggard, P. Mason, B. McBee, S. McElroy, J. Meyer, H. Moberly, R. Morris, L. Napier, C. Nett, R. Noe, C. Noland, A. Northup, M. O'Brien, R. Overstreet, R. Preston, D. Priddy, A. Pritchett, K. Rapier, J. Reinhardt, J. Richards, B. Richardson, P. Richardson, D. Ridley, T. Riner, E. Scorsone, D. Seum, C. Siler, B. Smith, R. Smith, W. Strong, G. Stumbo, T. Todd, R. Turner, L. Walker, J. Will, P. Worthington, J. Yates. **Nays** 0.

JOURNAL

of the

HOUSE OF REPRESENTIVES

of the

General Assembly

of the

Commonwealth of Kentucky

Organizational Session of 1989

Held in the State Capitol in the Capital City of Frankfort, at
Frankfort, in the Year of Our Lord 1989, and
in the One Hundred and Ninety-Seventh
Year of the Commonwealth

Begun on the Third Day of January, 1989, and Adjourned
Sine Die on the Sixth Day of January, 1989.

Paid for from state funds.

FOREWORD

The Constitution requires each house of the General Assembly to keep a Journal of its proceedings. The Journal is intended to assure a public account of legislative activity and constitutes the final official record of action by the General Assembly.

Under the provisions of Sections 6.161, 6.162 and 57.151 of the *Kentucky Revised Statutes*, the Legislative Research Commission is responsible for comparing, editing, correcting, and publishing the Journals as approved by each house of the General Assembly. This volume represents the fulfillment of this obligation for the Organizational Session of the House of Representatives of 1989.

The text of a bill is spread in full when it receives a first reading. The vote on passage of a bill is indicated upon its receipt of a third reading, or upon concurrence by the originating house in amendments by the second house. Simple and concurrent resolutions are printed on first reading when applicable or when adopted, and joint resolutions are treated as bills. A table of actions on bills and resolutions is appended.

Mrs. Jean Wallace and Mrs. Wilda Bond prepared the House Journal for the Organizational Session of 1989. The edited copy and index in this volume reflect the cooperative efforts of the Commission's staff.

VIC HELLARD, JR.
Director

The Capitol
Frankfort, Kentucky
1989

JOURNAL
OF THE
HOUSE OF REPRESENTATIVES
OF THE
GENERAL ASSEMBLY
OF THE
COMMONWEALTH OF KENTUCKY

ORGANIZATIONAL SESSION OF 1989

TUESDAY, JANUARY 3, 1989

FIRST LEGISLATIVE DAY

At an Organizational Session of the General Assembly of the Commonwealth of Kentucky, held at the Capitol in the City of Frankfort, and begun on Tuesday, January 3, 1989, the one hundred and ninety-seventh year of the Commonwealth, in accordance with the provisions of the Constitution, the Speaker Donald J. Blandford, assumed the Chair and called the House to Order.

Prayer by Dr. Donald A. Nunnelly, First Christian Church, Frankfort, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The Clerk read the following certificate from the Secretary of State:

I, Bremer Ehrler, Secretary of State of the Commonwealth of Kentucky, do hereby certify that, according to the records in the Office of the Secretary of State of the Commonwealth of Kentucky and the best information obtainable, the attached is a true and correct list of the duly elected and qualified members of the House of Representatives of the General Assembly of the Commonwealth of Kentucky.

Given under my hand and seal of office, this 3rd day of January 1989.

s/Bremer Ehrler
Secretary of State
Commonwealth of Kentucky

KENTUCKY GENERAL ASSEMBLY

1989 STATE REPRESENTATIVES

1st DISTRICT (Ballard, Carlisle, Fulton, Hickman, McCracken); Charles Geveden, P.O. Box 518, Wickliffe, KY 42087. Democrat.

2nd DISTRICT (Graves); Dick Castleman, 704 Weda, Mayfield, KY 42066. Democrat.

3rd DISTRICT (McCracken); Albert Jones, 2807 Broadway Street, Paducah ,KY 42001. Democrat.

4th DISTRICT (Crittenden, Livingston, McCracken); Rex Smith, 323 Meadowaire, Paducah, KY 42003. Democrat.

5th DISTRICT (Calloway, Trigg); Freed Curd, 1607 Sycamore Street, Murray, KY 42071. Democrat.

6th DISTRICT (Caldwell, Lyon, Marshall); Richard Lewis, Route 8, Box 507, Benton, KY 42025. Democrat.

7th DISTRICT (Daviess, Henderson, Union); Sam M. McElroy, Route 1 Box 73, Waverly, KY 42462. Democrat.

8th DISTRICT (Christian, Trigg); Ramsey Morris, P. O. Box 4030, Highway 68 East, Hopkinsville, KY 42240. Democrat.

9th DISTRICT (Christian, Hopkins); James E. "Jim" Bruce, 6750 Ft. Campbell Blvd., Hopkinsville, KY 42240. Democrat.

10th DISTRICT (Hopkins); Joseph E. (Eddie) Ballard, P.O. Box 36, 1811 Grampian Dr., Madisonville, KY 42431. Democrat.

11th DISTRICT (Henderson); Aaron G. Pritchett, 9632 Corydon Geneva Rd., Henderson, KY 42420. Democrat.

12th DISTRICT (Caldwell, Crittenden, Hopkins, McLean, Webster), J. Dorsey Ridley, P.O. Box 100 303 S. Main St., Dixon, KY 42409. Democrat.

13th DISTRICT (Daviess); Edward Louis Johnson, 1511 Kent Place, Owensboro, KY 42301. Democrat.

14th DISTRICT (Daviess); Donald J. Blandford, 4701 King Road, Philpot, KY 42366. Democrat.

15th DISTRICT (McLean, Muhlenberg); Charles L. Nelson, P.O. Box 5, Bremen, KY 42325. Democrat.

16th DISTRICT (Logan, Todd); June Lyne, 10904 Clarksville Rd., Olmstead, KY 42265. Democrat.

17th DISTRICT (Butler, Hancock, Ohio); Willard C. Allen, 3750 Gilstrap Rd., Morgantown, KY 42261. Republican

18th DISTRICT (Breckinridge, Hancock, Meade); Donald J. Gedling, R. R. 2, Hardinsburg, KY 40143. Democrat.

19th DISTRICT (Edmonson, Grayson, Hardin); Ronald Layman, 602 Sunbeam Road, Leitchfield, KY 42754. Republican.

20th DISTRICT (Warren); Jody Richards, 1022 Ridgecrest Dr., Bowling Green, KY 42101. Democrat.

21st DISTRICT (Simpson, Warren); Billy Ray Smith, 2085 Barren River Road, Bowling Green, KY 42101. Democrat.

22nd DISTRICT (Allen, Monroe, Simpson); Richard A. Turner, 1292 Early Burkes Rd., Tompkinsville, KY 42167. Republican.

23rd DISTRICT (Barren, Metcalfe); Bobby H. Richardson, 4 Forest Hills, Glasgow, KY 42141. Democrat.

24th DISTRICT (Hart, Larue, Marion); David R. Hourigan, Rt. 1 Box 69, Gravel Switch, KY 40328. Democrat.

25th DISTRICT (Hardin); Chester "Bud" Gregory, 241 Pear Orchard Road, Elizabethtown, KY 42701. Democrat.

26th DISTRICT (Hardin, Larue); Billie D. Ark, Route 2, Hodgenville, KY 42748. Democrat.

27th DISTRICT (Bullitt, Hardin, Meade); Mark S. Brown, 170 Washington Street, Brandenburg, KY 40108. Democrat.

28th DISTRICT (Jefferson); William Lile, 11304 Frenchrone Drive, Valley Station, KY 40272. Republican.

29th DISTRICT (Jefferson); Lindell E. Casebier, 10807 Marcitis Road, Louisville, KY 40272. Republican.

30th DISTRICT (Jefferson); Thomas J. Burch, 4850 Brenda Drive, Louisville, KY 40218. Democrat.

31st DISTRICT (Jefferson); Mark O'Brien, 36 S. Sheridan Road, Louisville, KY 40220. Democrat.

32nd DISTRICT (Jefferson); Anne Northup, 3340 Lexington Rd., Louisville, KY 40206. Republican.

33rd DISTRICT (Jefferson); Robert Heleringer, 14209 Glendower Dr., Louisville, KY 40245. Republican.

34th DISTRICT (Jefferson); Mike Ward, 1905 Deer Park Ave., Louisville, KY 40205. Democrat.

35th DISTRICT (Jefferson); Carl Nett, 901 Eastern Parkway, Louisville, KY 40217. Democrat.

36th DISTRICT (Garrard, Jessamine, Madison); Lonnie Napier, 302 Danville Street, Lancaster, KY 40444. Republican.

37th DISTRICT (Jefferson); Paul Clark, 4711 S. Second Street, Louisville, KY 40214. Democrat.

38th DISTRICT (Jefferson); Denver Butler, 1533 Southgate Ave., Louisville, KY. Democrat.

39th DISTRICT (Harlan, Owsley, Perry); William R. Strong, P.O. Box 7012, Hazard, KY 41701. Republican.

40th DISTRICT (Jefferson); John G. Bronger, 3500 Robin Drive, Louisville, KY 40216. Democrat.

41st DISTRICT (Jefferson); Thomas Riner, 1143 E. Broadway, Louisville, KY 40204. Democrat.

42nd DISTRICT (Jefferson); Leonard Gray, 3211 Dumesnil, Louisville, KY 40211. Democrat.

43rd DISTRICT (Jefferson); Elijah P. Hatcher Jr., 901 S.Western Pkwy. P.O. Box 11069, Louisville, KY 40211. Democrat.

44th DISTRICT (Jefferson); James B. Yates, 2305 Thurman Drive, Shively, KY 40216. Democrat.

45th DISTRICT (Jefferson); Dorothy Priddy, 9001 Whippoorwill Road, Louisville, KY 40229. Democrat.

46th DISTRICT (Jefferson); Lawrence D. Clark, 5913 Whispering Hills Bld, Louisville, KY 40219. Democrat.

47th DISTRICT (Jefferson); Jon Ackerson, 10402 Edgewater Road, Jeffersontown, KY 40223. Republican.

48th DISTRICT (Jefferson); Susan B. Stokes, 440 Country Lane, Louisville, KY 40207. Republican.

49th DISTRICT (Bullitt); John D. Harper, Route 2, Box 336, Preston Highway, Shepherdsville, KY 40165. Republican.

50th DISTRICT (Nelson, Washington); Kenny Rapier, 115 Parkview Drive, Bardstown, KY 40004. Democrat.

51st DISTRICT (Green, Metcalfe, Taylor); Ray H. Altman, 800 Jones Creek Rd., P O Box 4009, Campbellsville, KY 42718. Republican.

52nd DISTRICT (Adair, Casey, Russell); Raymond Overstreet, Highway E. 70, P.O. Box U, Liberty, KY 42539. Republican.

53rd DISTRICT (Clinton, Cumberland, Wayne); Ray Mullinix, 208 Baker St., Burkesville, KY 42717. Republican.

54th DISTRICT (Boyle, Lincoln); Joseph Clarke, 420 Boone Trail, Danville, KY 40422. Democrat.

55th DISTRICT (Anderson, Mercer, Spencer); Thomas Jones, 401 Sunset Drive, Lawrenceburg, KY 40342. Democrat.

56th DISTRICT (Franklin, Jessamine, Woodford); Joe Barrows, 152 Stout Avenue, Versailles, KY 40383. Democrat.

57th DISTRICT (Franklin); C. M. "Hank" Hancock, 514 Murray Street, Frankfort, KY 40601. Democrat.

58th DISTRICT (Henry, Shelby); Marshall Long, 1204 Washington Street, Shelbyville, KY 40065. Democrat.

59th DISTRICT (Oldham, Trimble); James F. Zimmerman, 3404 Sycamore Rd., LaGrange, KY 40031. Republican.

60th DISTRICT (Boone); William K. McBee, 2342 Burlington Pike, Burlington, KY. Democrat.

61st DISTRICT (Carroll, Gallatin, Grant, Owen); Clay Crupper, 25 Wilorn Drive, Dry Ridge, KY 41035. Democrat.

62nd DISTRICT (Harrison, Scott); Mark Farrow, 2785 Stamping Ground Road, Stamping Ground, KY 40379. Democrat.

63rd DISTRICT (Kenton); Kenneth F. Harper, 2700 Main Chase Ln., Crestview Hills, KY 41017. Democrat.

64th DISTRICT (Kenton, Pendleton); Thomas Kerr, 5415 Old Taylor Mill, Taylor Mill, KY 41015. Democrat.

65th DISTRICT (Kenton); Martin J. Sheehan, 1261 Parkway Ave. Apt. #8, Covington, KY 41011. Democrat.

66th DISTRICT (Boone, Kenton); Lawson Walker, 729 Dry Creek Court, Villa Hills, KY 41017. Republican.

67th DISTRICT (Campbell, Kenton); James Callahan, 101 Bonnie Lynn Terrace, Southgate, KY 41071. Democrat.

68th DISTRICT (Bracken, Campbell, Pendleton); William Donnermeyer, 333 Bonnie Leslie Avenue, Bellevue, KY 41073. Democrat.

69th DISTRICT (Campbell, Pendleton); Jon D. Reinhardt, 637 W. Poplar Thicket Rd., Alexandria, KY 41001. Republican.

70th DISTRICT (Bracken, Fleming, Mason, Robertson); Pete Worthington, R. R. #1 Box 131, Ewing, KY 41039. Democrat.

71st DISTRICT (Lawrence, Lewis, Morgan, Rowan); Walter Blevins, 1024 Gregory Court, Morehead, KY 40351. Democrat.

72nd DISTRICT (Bourbon, Fayette); James G. LeMaster, 127 Duncan Avenue, Paris, KY 40361. Democrat.

73rd DISTRICT (Clark, Powell); Paul W. Richardson, 72 Milwood, Winchester, KY 40391. Democrat.

74th DISTRICT (Bath, Montgomery, Nicholas); Adrian K. Arnold, 3589 Aaron's Run Road, Mt. Sterling, KY 40353. Democrat.

75th DISTRICT (Fayette); Ernesto Scorsone, 730 West Short Street, Lexington, KY 40507. Democrat.

76th DISTRICT (Fayette); Jerry G. Lundergan, 1808 Joan Drive, Lexington, KY 40505. Democrat.

77th DISTRICT (Fayette); Louie Mack, 271 Burke Road, Lexington, KY 40511. Democrat.

78th DISTRICT (Fayette); Patricia Freibert, 659 Tateswood Drive, Lexington, KY 40502. Republican.

79th DISTRICT (Fayette); Bill Lear, 732 Lakeshore Drive, Lexington, KY 40502. Democrat.

80th DISTRICT (Lincoln, McCreary, Pulaski, Rockcastle); Danny Ford, P. O. Box 143, U.S. Highway 150, Mt. Vernon, KY 40456. Republican.

81st DISTRICT (Madison); Harry Moberly, P. O. Box 721, Richmond, KY 40475. Democrat.

82nd DISTRICT (McCreary, Whitley); Charles L. Siler, Route 2, Box 842, Williamsburg, KY 40769. Republican.

83rd DISTRICT (Pulaski); Thomas W. Todd, Route 2, Nancy, KY 42544. Republican.

84th DISTRICT (Estill, Jackson, Lee, Menifee, Powell); Clarence D. Noland, Route #2, Sand Hill Rd., Irvine, KY 40336. Republican.

85th DISTRICT (Laurel); Thomas Jensen, P.O. Box 641, London, KY 40741. Republican.

86th DISTRICT (Clay, Knox); Caroline White, 129 School Street, Barbourville, KY 40906. Democrat.

87th DISTRICT (Bell, Whitley); Pearl R. Lefevers, HC 86 Box 507, Kettle Island, KY 40958. Republican.

88th DISTRICT (Harlan); Roger Noe, 111 N. Third Street, Harlan, KY 40831. Democrat.

89th DISTRICT (Breathitt, Magoffin, Wolfe); James Maggard, R#2 Box 63, Jackson, KY 41339. Democrat.

90th DISTRICT (Clay, Jackson, Leslie, Owsley); Stephen C. Keith, Route 8, Box 168, Manchester, KY 40962. Republican.

91st DISTRICT (Letcher, Perry, Pike); Paul Mason, 53 Maple Street, Whitesburg, KY 41858. Democrat.

92nd DISTRICT (Floyd, Knott, Letcher); Russell O. Bentley, HC 80, Box 3020, Topmost, KY 41862. Democrat.

93rd DISTRICT (Pike); N. Clayton Little, H.C. 83 Box 385, Virgie, KY 41572. Democrat.

94th DISTRICT (Pike); Herbert (Herbie) Deskins, 27 Windward Lane, Pikeville, KY 41501. Democrat.

95th DISTRICT (Floyd); Gregory D. Stumbo, P.O. Box 614, Prestonsburg, KY 41653. Democrat.

96th DISTRICT (Carter, Greenup, Lewis); Lowell E. Cline, P. O. Box 266, Olive Hill, KY 41164. Democrat.

97th DISTRICT (Johnson, Martin); Ray E. Preston, Turner Branch Route 23, Paintsville, KY 41240. Republican.

98th DISTRICT (Greenup); Ronald R. Cyrus, 1410 Cyrus Court, Flatwoods, KY 41139. Democrat.

99th DISTRICT (Goyd, Elliott, Lawrence); Rocky Adkins, P.O. Box 688, Sandy Hook, KY 41171. Democrat.

100th DISTRICT (Boyd, Greenup); Clarence E. Jackson, 3259 Ridgeway Drive, Ashland, KY 41101. Democrat.

The roll was called. All members present.

Representative Stumbo moved that the Journal show that each member produced a Certificate of Election and that such certificates be confirmed. Agreed.

Said Representatives produced their Certificates of Election, appeared before the Presiding Officer and were administered their oaths of office by The Honorable Roger Crittenden, District Court Judge, Franklin County.

Representative Stumbo moved the nomination of the following House Constitutional Officers to serve until 12:00 p.m., December 31, 1989:

Evelyn Marston	Chief Clerk
Julie Wheat	Assistant Clerk
Margaret Watts	Enrolling Clerk
Emmett A. Slattery	Sergeant at Arms
William E. Davis	Chief Doorkeeper
Lawrence Parrish	Cloakroom Keeper
Albert Robinson	Cloakroom Keeper
Marjorie H. Embry	Janitor
Tara Tillett	Page
Douglas Howard	Page
Marty Hammond	Page
Amy Lusher	Page

Representative Stumbo moved that the nominations cease and that the Constitutional Officers be elected by acclamation. Agreed.

The oath of office was administered to the Constitutional Officers by The Honorable Roger Crittenden, District Court Judge, Franklin County.

Introduction of Bills and Resolutions

HR 1, by Representatives Blandford, Stumbo, Richards and Worthington: A RESOLUTION adopting temporary rules to govern the 1989 organizational session of the House of Representatives.

Representative Stumbo moved the adoption of the following **HR 1**:

HR 1, A RESOLUTION adopting temporary rules to govern the 1989 organizational session of the House of Representatives.

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That the rules adopted by the House of Representatives to govern the 1988 regular session of the House of Representatives be adopted as the temporary rules governing the 1989 organizational session of the House of Representatives.

HR 1 was adopted by voice vote.

HR 2, by Representatives Blandford, Stumbo, Richards and Worthington: A RESOLUTION extending an invitation to the pastors of the Frankfort churches to open sessions of the House of Representatives with prayer.

Representative Stumbo moved the adoption of the following **HR 2**:

HR 2, A RESOLUTION extending an invitation to the pastors of the Frankfort churches to open sessions of the House of Representatives with prayer.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That the Sergeant at Arms be directed to invite the pastors of the various churches of Frankfort to attend the meetings of the House of Representatives and open the sessions thereof with prayer.

HR 2 was adopted by voice vote.

Announcements

The Clerk announced the following meetings:

Majority Caucus, 15 minutes upon adjournment, Room 109.

Minority Caucus, 2:00 p.m., Room 105.

Adjournment

Representative Stumbo moved that the House adjourn until 11:00 a.m., Wednesday, January 4, 1989.

On the roll call the vote was yeas 90—Ackerson, Adkins, Allen, Altman, Ark, Arnold, Ballard, Barrows, Bentley, Blandford, Blevins, Brown, Bruce, Burch, Butler, Callahan, Casebier, Castleman, L. Clark, P. Clark, Clarke, Cline, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Farrow, Ford, Freibert, Gedling, Geveden, Gray, Gregory, Hancock, J. Harper, K. Harper, Hatcher, Hourigan, Jackson, Jensen, Johnson, A. Jones, T. Jones, Kerr, Layman, Lear, Lefevers, Lewis, Little, Lyne, Mack, Maggard, Mason, McBee, McElroy, Moberly, Morris, Mullinix, Napier, Nelson, Nett, Noe, Noland, Northup, O'Brien, Overstreet, Priddy, Pritchett, Rapier, Richards, B. Richardson, P. Richardson, Ridley, Riner, Scorsone, Sheehan, Siler, B. Smith, R. Smith, Stokes, Stumbo, Todd, Turner, Walker, Ward, White, Worthington, Yates, Zimmerman. Nays 5—Bronger, Heleringer, LeMaster, Lile, Preston.

The motion to adjourn was adopted.

WEDNESDAY, JANUARY 4, 1989

SECOND LEGISLATIVE DAY

The House was called to order by Acting Clerk Evelyn Marston.

Prayer by Reverend J. E. Miller, Lampton Baptist Church, Louisville, Kentucky.

The Acting Clerk led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Lear and Strong.

Representative McElroy moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative McElroy moved that the reading of the Journal of January 3, 1989 be dispensed with and the same approved. Agreed.

Representative Bronger moved the nomination of Donald J. Blandford as Speaker of the House of Representatives.

Representative Bronger moved that the nominations cease and that Representative Blandford be elected by acclamation. Agreed.

Representative Donald J. Blandford was elected Speaker of the House of Representatives by acclamation.

A committee composed of Representatives Bronger, Lyne, White, L. Johnson and Ballard escorted the newly elected Speaker to the podium.

The oath of office was administered to Speaker Blandford by The Honorable Joyce Albro, District Judge, Franklin County.

Speaker Blandford assumed the chair.

Representative Arnold moved the nomination of Pete Worthington as Speaker Pro Tempore of the House of Representatives.

Representative Arnold moved that the nominations cease and that Representative Worthington be elected Speaker Pro Tempore by acclamation. Agreed.

A committee composed of Representatives Lundergan, Ark, Geveden, Gedling and Hourigan escorted the newly elected Speaker Pro Tempore to the podium.

The oath of office was administered to Speaker Pro Tempore Worthington by The Honorable Joyce Albro, District Judge, Franklin County.

Senate Message

Announcing passage of SCR 3.

Motions, Petitions and Communications

Representative J. Richards announced that the Democratic Party in caucus assembled had elected the following Majority Party House leadership:

Floor Leader	Gregory D. Stumbo
Caucus Chairman	Jody Richards
Whip	Kenny Rapier

Representative K. Harper announced that the Republican Party in caucus assembled had elected the following Minority Party House leadership:

Floor Leader	William Strong
Caucus Chairman	Kenneth Harper
Whip	Bill Lile

Adjournment

Representative Stumbo moved that the House adjourn until 10:00 a.m., Thursday, January 5, 1989.

On the roll call the vote was yeas 88—Ackerson, Adkins, Allen, Altman, Ark, Arnold, Ballard, Barrows, Bentley, Blandford, Blevins, Brown, Bruce, Burch, Butler, Callahan, Casebier, Castleman, L. Clark, P. Clark, Clarke, Cline, Crupper, Curd, Cyrus, Deskins, Donnermeyer, Farrow, Ford, Gedling, Geveden, Gray, Gregory, Hancock, J. Harper, Hatcher, Hourigan, Jackson, Johnson, A. Jones, T. Jones, Keith, Kerr, Layman, Lefevers, Lewis, Little, Long, Lundergan, Lyne, Mack, Maggard, Mason, McBee, Moberly, Morris, Mullinix, Nelson, Nett, Noe, Noland, Northup, O'Brien, Overstreet, Preston, Priddy, Pritchett, Rapier, Reinhardt, Richards, B. Richardson, Ridley, Riner, Scorsone, Sheehan, Siler, B. Smith, R. Smith, Stokes, Stumbo, Todd, Turner, Walker, Ward, White, Worthington, Yates, Zimmerman. Nays 4—Bronger, Heleringer, LeMaster, Lile.

The motion to adjourn was adopted.

THURSDAY, JANUARY 5, 1989

THIRD LEGISLATIVE DAY

The House was called to order by Speaker Blandford.

Prayer by Dr. Wagner, South Frankfort Presbyterian Church, Frankfort, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Deskins, Lear, Moberly, B. Richardson and R. Smith.

Representative McElroy moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative McElroy moved that the reading of the Journal of January 4, 1989 be dispensed with and the same approved. Agreed.

Representative Stumbo moved the House stand at ease to await the arrival of the Senate for Joint Session. Agreed.

Representative Stumbo moved that the privileges of the floor be granted to Senator Wendell Ford, Congressmen Ron Mazolli and Hal Rogers. Agreed.

Representative Kerr moved the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 5, by Representative Kerr: A Resolution honoring two categories of the Independence Express Girls Soccer Team upon the occasion of winning the 1988 Kentucky State Soccer Championship Titles.

Representative Kerr moved the adoption of the following **HR 5**:

HR 5, A RESOLUTION honoring two categories of the Independence Express Girls Soccer Team upon the occasion of winning the 1988 Kentucky State Soccer Championship Titles.

WHEREAS, the Independence Express Soccer Team category for Girls Under Ten won the 1988 Kentucky State Soccer Championship Title during the Kentucky State Recreational Soccer Tournament held in Oldham County, Kentucky on the 12th and 13th of November 1988; and

WHEREAS, these young athletes captured the championship crown by defeating the Lexington Breakers from Fayette County 1-0, St. Paul from Boone County 2-0, St. Joseph from Campbell County 2-1, and in the title game by defeating the Versailles Lady Cats from Woodford County 2-0; and

WHEREAS, although the members of the Girls Under Ten category were chosen for the team from a blind draw and were not selected, they amassed an impressive regular season record of eight wins, one loss and one tie and were the champions of the Northern Kentucky Soccer League; and

WHEREAS, many of these remarkable young ladies were active participants on the championship team from the 1988 Bluegrass State Games coached by Ms. Sherri Noakes; and

WHEREAS, the House of Representatives is proud to hail individually the outstanding members of the Girls Under Ten category of the Independence Express Soccer Team — Ms. Jenna Birkley, Ms. Elizabeth Black, Ms. Courtney Gabbard, Ms. Mary Gibson, Ms. Lisa Holakowski, Ms. Debbie Hurt, Ms. Melanie Jones, Ms. Joanne Murphy, Ms. Kristen Noakes, Ms. Elizabeth Reynolds, Ms. April Smith, Ms. Theresa Smith, Ms. Lacey Unkraut, Ms. Paula Williams and Coach Ms. Sherri Noakes; and

WHEREAS, the Independence Express Soccer Team category for Girls Under Fourteen also captured the 1988 Kentucky State Soccer Championship Title during the Kentucky State Recreational Soccer Tournament held in Versailles, Kentucky on November 12th and 13th of last year; and

WHEREAS, similar to the selection process used in the younger division, the members of the Girls Under Fourteen team were chosen through a blind draw and many were members of the championship team from the 1988 Bluegrass State Games coached by Mr. Doug Westerman; and

WHEREAS, these exemplary athletes diligently earned the state championship crown by defeating in tournament play the Oldham County Foxes 2-1, the St. Joseph Bluejays from Campbell County 1-0, the St. Thomas team from Campbell County 2-0, and in the final game by defeating the Oldham County Goalbusters by a score of 4-3; and

WHEREAS, it is only fitting that the members of this august body do hereby individually honor the members of the Girls Under Fourteen Independence Express Soccer Team — Ms. Courtney Barwell, Ms. Becky Bergman, Ms. Katrina Black, Ms. Katie Carroll, Ms. Dana Cox, Ms. Debi Gough, Ms. Stacey Gray, Ms. Traci Jackson, Ms. Jackie Kelch, Ms. Laura McNay, Ms. Carey McQuire, Ms. Rosemary McQuire, Ms. Joy Rogers, Ms. Kerry Sandell, Ms. Tina Scherder, Ms. Mindy Thompson, Ms. Amanda Wagner, Ms. Kasey Westerman, and Coaches Bill Westerman and Steve Wagner;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of this body do hereby individually and collectively praise and honor the members of the Girls Under Ten and the Girls Under Fourteen categories of the Independence Express Soccer Team upon the occasion of capturing the 1988 Kentucky State Soccer Championship Titles.

Section 2. That the House does hereby recognize these exceptional young women to be outstanding citizens and exemplary representatives of the Commonwealth.

Section 3. That when the House of Representatives of the General Assembly of the Commonwealth of Kentucky does adjourn this day, Thursday, January 5, 1989, it does so in honor of the Independence Express Girls Soccer Teams.

Section 4. That the Clerk of the House is hereby directed to transmit a copy of this resolution to each member of the Girls Under Ten and the Girls Under Fourteen categories of the Independence Express Soccer Team, as well as their respective coaches.

HR 5 was adopted by voice vote.

Senate Message

Announcing the passage of **SCR 5** and **SCR 6**.

The Chief Doorkeeper announced the arrival of the President of the Senate. Agreed.

The Honorable Brereton C. Jones, Lieutenant Governor of the Commonwealth of Kentucky and President of the Senate, and the members of the Senate entered upon the floor of the House.

Representative Stumbo moved that the House and Senate resolve into Joint Session. Agreed.

The President of the Senate assumed the Chair and called the Joint Session to order.

Joint Session

Representative Stumbo moved to dispense with a call of the roll. Agreed.

Representative Stumbo introduced Senator Wendell Ford.

Senator Ford addressed the Joint Session of the General Assembly as follows:

I want to thank you for inviting me to take part in this Joint Session of the Kentucky General Assembly. It is a rare privilege for me to be back in these chambers with so many of my friends in Kentucky state government.

James Joyce once was asked when he was going back to Dublin, and he replied "Have I ever left there?" Well, I want you to know that I have never really left here. I feel that serving in this body gives each of us a special responsibility and a special connection to the people of Kentucky, and I want you to let me know loud and clear if you ever feel that I am breaking that bond or forgetting where I come from. I intend to see that you never have to do that. I can tell you on this occasion that I am thinking about my own days in Frankfort — and also about some of the changes that have taken place since I had the privilege of working with some of you as a member of the State Senate.

The most impressive change in my mind is represented by the growing strength and resourcefulness of the Kentucky General Assembly. Your strength is reflected in the fact that this Assembly has produced two-thirds of our current congressional delegation. You have had the collective wisdom to make this Assembly a fully equal partner in state government. You are helping to show the way toward an honest partnership between all levels of government, private industry and every other element of our society. And clearly we must have such a partnership if we are to use our shrinking financial resources to overcome potentially disastrous economic and other problems reaching into every corner of this state and nation.

We are here today because we know that this desperately needed cooperation must always begin with the relationship between federal and state government. We know that we must find ways to maintain and improve this relationship in spite of the loss of revenue sharing and other critical programs — and in spite of the fact that Congress must cut an additional 40 to 50 billion dollars from the budget deficit to stave off arbitrary Gramm-Rudman-Hollings cuts in 1989. And we know that this process must begin when a new Congress and a new administration begin working together about two weeks from now. //Comments on prospects of Congress and administration working together, inaugural planning.//

Although we continue to face severe problems in a politically divided government, I believe that the 100th Congress did give us something to build upon. The accomplishments of this Congress ranged from ratification of the INF Treaty to passage of a tough anti-drug bill to much needed welfare reform. And we begin a promising new effort to control a $2.6 trillion debt with interest payments averaging an incredible $640 a year for every citizen of this nation and leaving shrinking resources for domestic and defense programs. After the 1987 stock-market crash, the Reagan Administration finally was willing to negotiate with Congress on ways to reduce budget deficits still amounting to about $150 billion a year.

These negotiations led to a two-year plan that laid some of the ground work for the unprecedented reductions that must be our first order of business in 1989. I don't think anyone has all of the answers at this point. But we could save billions of dollars by stopping fraud and waste involving Pentagon consulting fees and other federal outlays. We could do a better job of collecting unpaid taxes. It is widely agreed that we will not only have to make additional cuts in domestic spending but also search for some new sources of revenue. And if that is the case, I don't think I have to tell you that I will be fighting to hold off those seeking to balance the budget on the backs of already overtaxed Kentucky industries.

No matter how we handle the deficit, however, we will continue to see fewer dollars flowing from Washington to the states. We must rely more than ever on the determination and ingenuity of our state governments, private enterprises and local communities. You in the Kentucky General Assembly clearly are helping to prove that our strength rises from the grassroots level. Yet our federal government still has a critical role to play in our emerging national partnership. We know that the federal government can never be all things to all people. But it should be able to provide some of the innovative leadership and help and common sense needed to overcome this nation's problems.

This kind of leadership doesn't always have to be dramatic. It just has to be something that works. Our two-year budget reduction plan, for instance, allowed us to pass all of our appropriations bills on time for the first time in 11 years. And Congress finally seems ready to switch to a permanent two-year cycle, which I have advocated for years. This sensible change can give us more time to sort out future spending priorities while allowing more efficient use of existing tax dollars. I know from my days in Frankfort how difficult

it is to plan joint economic improvement projects with the federal government on a one-year budget cycle and Kentucky on a two-year cycle.

I encourage your continued support of our efforts to end this wasteful problem through my two-year budget bill. And I want you to know that I also plan to reintroduce my bill to improve federal-state relations by forcing Congress to take a hard look at unfunded mandates giving additional responsibilities — but no additional revenues — to state and local governments. This bill would create a point of order to call the Senate's attention to unfunded mandates involving more than $50 million. I have an idea that these unfunded-mandate alerts could help to insure that states are not asked to bear an unreasonable share of the cost of otherwise sound legislation to improve our economy or the lives of our most vulnerable citizens.

I am convinced that we can find prudent and fair-minded approaches to such legislation. We can continue to bolster our economy by helping to meet the housing, educational and other needs of our society. As you know, Congress approved a five-year reauthorization of most of our educational programs, with some increases in programs to address the drop-out rate and other serious challenges. We fought with good success to retain funding for the Appalachian Regional Commission, the Economic Development Administration, Community Development Block Grants and other programs of vital importance to many parts of Kentucky and the nation in this period of great economic disparity and uncertainty.

The 100th Congress saw a need for direct action to reduce a staggering trade deficit that has cost us millions of good jobs while making us the world's number one debtor nation. We passed a fair trade bill not to protect U.S. industries but to give them a chance to compete on equal terms with foreign competitors who have been hiding behind unfair trade barriers. We must continue to come to grips with our trade problems if we are to stop living dangerously on borrowed money and foreign credit. I believe that fair and open trade can only enhance the development of constructive international relationships, such as the one that Kentucky already is building with Toyota.

I want to make it clear that I voted against the Canadian Free Trade Agreement for the very same reasons that led me to vote for our Fair Trade Bill. The Canadian Agreement can work against fair trade by encouraging special trade agreements between various groups of nations — and we already are seeing that dangerous principle at work in the European community. This agreement also can hurt our Kentucky coal and electric-power industries by encouraging electric-power imports from Canada. And it can contribute to the threatened collapse of our embattled uranium enrichment industry, which still accounts for thousands of Kentucky jobs.

When we talk about energy, we must remember that we already are paying $40 billion a year for imported oil and that this figure could quickly rise to $80 billion if left on auto-pilot. We can help to reduce this growing economic and national security threat by using clean-coal technologies to protect the environment and increase the competitiveness of domestic coal, including Kentucky coal. We worked hard in the 100th Congress to win appropriations totaling more than $1 billion for clean-coal research. But we must have your continuing and very active support in a fight to make sure that this crucial program is not crippled or even destroyed by shortsighted or badly timed acid rain proposals in the 101st Congress.

We need your help also in a concerted effort to revise the Surface Mining Act, with particular attention to wildcat mining, small-operator assistance and re-mining of unreclaimed land. As you know, this program cuts close to the heart of our federal-state relations. It hasn't been reworked in some 12 years, and it is badly in need of some increased stability. A federal proposal to ease some restrictions against surface mining in national parks is just one recent example of our current and potential problems. I, for one, need to be persuaded that this is a necessary change and not just something that will lead us into more and more unnecessary litigation.

We can work together in many ways to make our state and nation more efficient and more competitive in the world. We know that we lead the world in basic research but often lag behind other nations in adapting that research to the marketplace. To help overcome this chronic problem, we already have been able to secure $4.5 million in initial federal funds for an advanced science and technology commercialization center at the University of Kentucky. And we also have been able to create an International Trade Center at UK — a center that will work with large and small farmers alike in the search for new export markets for their crops. With continued cooperation, we can keep building these and other crucial economic programs in our state.

Our partnership covers many other important areas, and I would like to touch on just a few of those areas in the time remaining. We all pay an 8 percent tax on airline tickets, and our work in the 100th Congress

has led to major increases in the use of these taxes for airport and air-safety improvements that can benefit local economies across Kentucky and the nation. We also have made $370 million available to Kentucky communities banding together to float community improvement bond issues. I will keep fighting for fair treatment of our farmers and for expanded export markets for tobacco and other Kentucky crops. And I will keep working with Kentucky leaders to overcome serious water-supply problems pointed up by last summer's drought.

We have kept the maintenance of Kentucky River locks and dams 5 through 14 in federal hands for one — and only one — more year. We must keep pressing for a federal role in the development of adequate municipal water supplies in Central Kentucky and elsewhere. I firmly believe that our federal government should be ready to help meet critical needs of this kind. But I also believe that we must protect and enhance a growing list of state responsibilities. We must look increasingly to local communities and state governments as wellsprings of economic strength and laboratories of change. And I know that this Assembly will be more than equal to this challenge as we continue to build our honest partnership in the months and years ahead.

Representative Stumbo moved that the Joint Session of the House and Senate be dissolved. Agreed.

The Speaker resumed the Chair and called the House to order.

Introduction of Bills and Resolutions

HR 3, by Representative Lundergan: A RESOLUTION recognizing the one hundred fiftieth anniversary of the Kentucky Geological Survey.

HR 4, by Representatives Siler, Cyrus, Keith, Mason, Napier, Jensen, Adkins, Maggard, Blevins, Stumbo, Ford, Strong, Turner, Lefevers, Preston, Brown, Noland, Reinhardt, Zimmerman and Deskins: A RESOLUTION petitioning the Postmaster General of the United States Postal Service to issue a stamp commemorating the late John L. Lewis.

HR 6, by Representatives Jensen, Siler, Altman, Turner, Keith, Freibert and Lefevers: A RESOLUTION in memory of Johnny Edrington.

Motions, Petitions and Communications

Representative Stumbo moved the rules be suspended to act upon Resolutions. Agreed.

Representative Stumbo moved the adoption of the following **SCR 6**:

SCR 6, A CONCURRENT RESOLUTION proclaiming the month of February, 1989 as Brotherhood/Sisterhood month across the Commonwealth.

WHEREAS, since 1934 the National Conference of Christians and Jews has sponsored the observance of Brotherhood/Sisterhood in an effort to renew our commitment to build bridges of understanding among all groups; and

WHEREAS, the Brotherhood/Sisterhood theme invites all to reflect on its meaning and challenges us to ask why America's experiment in living together in a pluralistic democracy is unfinished; and

WHEREAS, various functions will be held to recognize Brotherhood/Sisterhood, particularly in conjunction with the ANNE FRANK Exhibit at the Museum of History and Science in Louisville; and

WHEREAS, the Commonwealth of Kentucky joins other states across the nation in working to achieve the constitutional promise of freedom and opportunity for all Americans;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That the General Assembly designates and recognizes the month of February, 1989 to be Brotherhood/Sisterhood month across the Commonwealth.

Section 2. That the General Assembly urges all citizens of the Commonwealth to work toward the goals of this special observance.

Section 3. That the Clerk of the Senate is directed to transmit a copy of this resolution to Ms. Patricia K. Gleich, The National Conference of Christians and Jews, Inc., 233 W. Broadway, Suite 606, Louisville, Kentucky 40202.

SCR 6 was adopted by voice vote.

Representative Stumbo moved the House stand at ease. Agreed.

The Speaker resumed the Chair and called the House to order.

Representative Hancock moved the adoption of the following **SCR 5**:

SCR 5, A CONCURRENT RESOLUTION directing the Secretary of the Kentucky Transportation Cabinet to name U.S. Route 127 in Kentucky the "Bluegrass-Chickamauga Vacation Corridor."

WHEREAS, U.S. Route 127 traverses Kentucky from north to south between Kenton County and Clinton County including such tourist attractions as the Northern Kentucky region, the State Capitol, Herrington Lake, Constitution Square, Shakertown, Fort Harrod, Lake Cumberland and Dale Hollow Lake; and

WHEREAS, the designation of this route as the Bluegrass-Chickamauga Vacation Corridor would aid in promoting development and enhancement of tourism by publicizing the route and its business opportunities and varied recreational attractions; and

WHEREAS, in addition to the promotion of tourist attractions within proximity to U.S. 127, the dedication of this route would increase public knowledge of the historical significance and cultural heritage which exists along the corridor; and

WHEREAS, the Bluegrass-Chickamauga Vacation Corridor would encourage Kentucky travelers onto U.S. Route 127 through the use of highway signs disseminating information along the corridor; and

WHEREAS, this important highway link deserves special recognition because of its contribution to Kentucky's economic development, recreational activities, cultural heritage and community pride;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That the Secretary of the Kentucky Transportation Cabinet be directed to name U.S. 127 in Kentucky the Bluegrass-Chickamauga Vacation Corridor and that signs and an appropriate logo be placed along the route in compliance with this Resolution.

Section 2. That a copy of this Resolution be transmitted to the Governor of the Commonwealth of Kentucky and the Secretary of the Kentucky Transportation Cabinet.

SCR 5 was adopted by voice vote.

Representative Siler moved the rules be suspended to act upon a Resolution. Agreed.

Representative Siler moved the adoption of the following **HR 4**:

HR 4, A RESOLUTION petitioning the Postmaster General of the United States Postal Service to issue a stamp commemorating the late John L. Lewis.

WHEREAS, John L. Lewis was a giant of the American labor movement whose leadership of the United Mine Workers of America and the Congress of Industrial Organizations resulted in his greatest achievements; and

WHEREAS, John L. Lewis became President of the United Mine Workers of America in 1920 and served in that position for forty years; and

WHEREAS, during his tenure as President of the United Mine Workers of America, John L. Lewis' leadership and negotiating skill won a number of crucial gains for coal miners in Kentucky and across the country; and

WHEREAS, those crucial gains included the establishment of a health care and retirement plan, improved mine safety, better wages, the establishment of a minimum age for working in coal mines, abolition of the payment to miners in company scrip, and abolition of compulsory company housing and company stores; and

WHEREAS, John L. Lewis was a chief founder of the Congress of Industrial Organizations and served as its first President from 1935 to 1940; and

WHEREAS, under John L. Lewis' leadership, the Congress of Industrial Organizations organized millions of workers in the steel, auto, rubber, textile, and shipbuilding industries; and

WHEREAS, President Lyndon B. Johnson awarded the Medal of Freedom, our nation's highest civilian decoration, to John L. Lewis for his efforts on behalf of American working men and women;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Postmaster General of the United States Postal Service is respectfully requested and hereby petitioned to issue a stamp commemorating the late John L. Lewis.

Section 2. That the clerk of the House transmit copies of this resolution to the Postmaster General of the United States Postal Service and to the editors of the *United Mine Workers Journal*, 900 15th Street, N. W., Washington, D.C. 20005.

HR 4 was adopted by voice vote.

Representative Jensen moved the rules be suspended to act upon a Resolution. Agreed.

Representative Jensen moved the adoption of the following **HR 6**:

HR 6, A RESOLUTION in memory of Johnny Edrington.

WHEREAS, Trooper Johnny M. Edrington, a dedicated member of Kentucky's vaunted State Police Force, was slain in the line of duty on December 20, 1988; and

WHEREAS, Trooper Edrington began his career in law enforcement with the Military Police while serving in the United States Army and went on to serve on the Campbellsville City Police Force and the Taylor County Metro Police Force; and

WHEREAS, Trooper Edrington graduated from the Kentucky State Police Academy on November 11, 1985, and was assigned to the London Post; and

WHEREAS, the State Police Citation for Courage was awarded to Trooper Edrington in May of 1987 for his involvement in a gun battle with a criminal suspect; and

WHEREAS, because of the dedication and courage of men like Johnny Edrington, the thin gray line will never be lacking in its commitment to serve and protect the citizens of this Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this body pays tribute to the bravery of Trooper Johnny M. Edrington and the bravery of his wife, family and our State Police Force, as they carry on after this tragic loss.

Section 2. That when the House of Representatives adjourns today, January 4, 1989, it does so in honor of Trooper Johnny M. Edrington.

Section 3. That a copy of this resolution be sent to his wife, his parents and the London State Police Post.

HR 6 was adopted by voice vote.

Representative Jensen moved that a call of the roll be taken to show co-sponsors of **HR 6**.

The following members requested that their names be added as Co-Sponsors to **HR 6**: Adkins, Allen, Altman, Ark, Arnold, Ballard, Barrows, Bentley, Blandford, Blevins, Bronger, Brown, Bruce, Burch, Butler, Callahan, Castleman, L. Clark, Clarke, Cline, Crupper, Curd, Cyrus, Donnermeyer, Farrow, Ford, Freibert, Gedling, Geveden, Gray, Gregory, Hancock, J. Harper, K. Harper, Hatcher, Heleringer, Hourigan, Jackson, Jensen, Johnson, A. Jones, T. Jones, Keith, Kerr, Layman, Lefevers, Lewis, Lile, Little, Lyne, Mack, Maggard, Mason, McBee, McElroy, Morris, Napier, Nelson, Nett, Noe, Noland, Northup, O'Brien, Preston, Priddy, Pritchett, Rapier, Richards, P. Richardson, Ridley, Riner, Sheehan, Siler, B. Smith, Stokes, Stumbo, Todd, Turner, Walker, Ward, White, Worthington, Yates, Zimmerman.

Representative Stumbo moved the adoption of the following **SCR 3**:

SCR 3, A CONCURRENT RESOLUTION relating to adjournment of the 1989 Organizational Session of the General Assembly.

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky, the House of Representatives concurring therein:

That when the Senate and the House of Representatives adjourn on Friday, January 6, 1989, they do so by voice vote and they do so to convene again in regular session on Tuesday, January 2, 1990, or in extraordinary session at such time as the Governor may direct.

SCR 3 was adopted by voice vote.

Adjournment

Representative Stumbo moved that the House adjourn until 9:00 a.m., Friday, January 6, 1989.

On the roll call the vote was yeas 74—Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bentley, Blandford, Blevins, Brown, Bruce, Burch, Butler, Callahan, Castleman, L. Clark, Clarke, Cline, Crupper, Curd, Cyrus, Donnermeyer, Farrow, Ford, Freibert, Gray, Gregory, J. Harper, Hatcher, Hourigan, Jackson, Jensen, Johnson, A. Jones, Keith, Kerr, Layman, Lefevers, Lile, Little, Lyne, Mack, Maggard, Mason, McBee, McElroy, Morris,

Mullinix, Napier, Nelson, Nett, Noe, Noland, Northup, O'Brien, Preston, Priddy, Rapier, P. Richardson, Ridley, Riner, Scorsone, Sheehan, Siler, B. Smith, Stumbo, Todd, Turner, Walker, Ward, White, Worthington, Yates, Zimmerman. Nays 3—Hancock, Heleringer, LeMaster.

The motion to adjourn was adopted.

FRIDAY, JANUARY 6, 1989

FOURTH LEGISLATIVE DAY

The House was called to order by Speaker Blandford.

Prayer by Reverend William Smith, First Church of the Nazarene, Frankfort, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Ackerson, Clarke, Cline, Deskins, J. Harper, Heleringer, Hourigan, Moberly, Northup, Overstreet, B. Richardson, Riner, Scorsone and R. Smith.

Representative McElroy moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative McElroy moved that the reading of the Journal of January 5, 1989 be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HR 7, by Representatives Blandford, Rapier, Stumbo and Worthington: A RESOLUTION adopting permanent rules of the House of Representatives.

HR 8, by Representatives Worthington, Blandford, Richards, Rapier and Stumbo: A RESOLUTION convening a legislative day of the 1990 Session of the House of Representatives in the Old State Capitol building.

Representative Stumbo moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Stumbo moved the adoption of the following **HR 7**:

HR 7, A RESOLUTION adopting permanent rules of the House of Representatives.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Rule 1. Hours of Meeting. The House shall meet at times set by the Committee on Committees.

Rule 2. Quorum. A majority of the members elected to the House shall constitute a quorum. If a quorum is not present at the time fixed for a meeting of the House, five members may adjourn or recess from day to day or from time to time and fifteen members may order a call of the House and send for absent members.

Rule 3. Call of the House. Upon a call of the House, the Clerk shall call the roll. Absentees are then only noted, but no excuses shall be made until the full roll is called. The clerk shall then call the absentees again. Excuses will be heard at this time. The doors of the House Chamber shall then be closed and the absentees not excused by the House may be sent for and arrested by the Sergeant-at-Arms and the House shall determine upon what conditions they shall be discharged from arrest. Members who voluntarily appear shall be immediately admitted to the floor of the House and names returned upon the Journal as present unless the House otherwise directs. Excuses for leaves of absence must receive a consent approval of 2/3 of the members elected.

ORDER OF BUSINESS

Rule 4. Order of Business. The order of business shall be as follows:

1. Invocation.

2. Roll Call.

3. Reading and approval of the Journal.

4. Introduction and Reading of New Bills and Resolutions Introduced by Title and Sponsor.

5. Report of Reference of Bills to Committees.

6. Report of Committees.

7. First Reading of Bills.

8. Second Reading of Bills.

9. Orders of the Day.

10. Motions, Petitions and Communications.

11. Announcements.

12. Adjournment.

No more than thirty minutes shall be allotted to Motions, Petitions and Communications.

Rule 5. Unfinished Business. Unfinished business which was being considered upon adjournment shall have precedence in the class of business to which it properly belongs upon the next succeeding legislative day.

MOTIONS

Rule 6. Reading of Motions. When a motion has been made and seconded, it shall be stated by the Speaker, or, being in written form, it shall be read by the Clerk before debate, amendment or motion concerning it shall be in order.

Rule 7. Withdrawal of Motions. Every oral motion after it has been stated by the Speaker, and every written motion, bill, resolution or other paper, after it has been read by the Clerk, shall be the property and in the possession of the House and shall not be withdrawn without consent of the House. Every written motion, report or measure may be committed or recommitted at the pleasure of the House.

Rule 8. Order of Questions. All questions, whether in Committee of the Whole or in the House, when not privileged questions, shall be propounded in the order in which they were moved, except that in filing blanks the smallest sum and the most remote date shall be put first.

Rule 9. Precedence of Motions. When a question is under consideration, no motion shall be in order except:

1. To call the House when there is no quorum present.

2. To fix the time to which the House shall adjourn.

3. To adjourn.

4. To take recess.

5. To lay on the table.

6. For the previous question.

7. To limit or extend limits of debate.

8. To postpone to a fixed time.

9. To lay on the Clerk's Desk.

10. To refer or commit.

11. To amend.

12. To postpone indefinitely.

The above several motions shall have precedence in the order in which they are arranged and the first seven of them shall not be debatable.

A second motion to adjourn, to take a recess, to lay on the table, for the previous question, to limit or extend limits of debate, to postpone to a time certain, to lay on the Clerk's desk, to refer or commit or to postpone indefinitely shall not be in order on the same day, upon the same question, and at the same status unless other business intervenes; provided, however, that amendments may be made to the time to which it is proposed to adjourn, to take a recess or to postpone to a fixed time.

Rule 10. Motion to Adjourn. A motion to adjourn, to take a recess, or a motion to adjourn to a time certain, shall always be in order, except when a member is speaking, while a vote is being taken or when the Committee on Committees is reporting; subject, however, to the limitations set out in Rule 9. A motion to adjourn or a motion to adjourn to a time certain shall be taken by roll call vote.

Rule 11. Motion to Table. The adoption of the motion to table, under these rules, defeats the subject matter under consideration. The reconsideration of the motion to table shall require approval of a majority of the members elected.

Rule 12. Previous Question. When the previous question has been ordered, a vote shall be taken immediately upon the pending measure and such pending amendments as are in order. The effect of the previous question shall be to put an end to all debate; to prevent the offering of additional amendments and to bring the House to an immediate vote upon the measure and amendments aforesaid. The previous question may be ordered by a majority of the members elected. On the call of the roll, no member shall be allowed to speak more than three minutes to explain his vote and shall not speak at all if the question is not a debatable question. After the previous question has been ordered, and before the vote upon the main question, the opponents of the measure shall have ten minutes, and proponents of the measure shall have ten minutes.

Rule 13. Motion to Set the Limits on Debate. A motion to set a time limit for debate on a measure, in excess of that permitted under Rule 12, shall be in order unless the previous question shall have been ordered on the measure. The time limit set for debate under this rule shall be allotted by the Speaker evenly between the opponents of the measure and the proponents of the measure. Adoption of a motion under this rule does not prevent the offering of additional amendments.

Rule 14. Motion to Reconsider. A motion to reconsider a vote shall not be in order unless made by a member who voted upon the prevailing side of the question; nor shall such motion be in order unless made within two legislative days in which the House is in session next after the date the vote was taken; however, the motion to reconsider when coupled with the additional motion to lay that motion upon the table may be made by any member.

Rule 15. Motion to Lay on Clerk's Desk. The effect of the adoption of a motion to lay on the Clerk's desk under these rules is to place in charge of the Clerk the pending question and everything adhering to it. A motion laid on the Clerk's desk may be taken from the desk and proceeded with at any time in the same order as when laid on the Clerk's desk.

Rule 16. Motion to Strike Out Enacting Clause. A motion to amend by striking out the enacting words of a bill or resolution shall have precedence over a motion to amend; and, if adopted, shall have the same effect as though the bill or resolution were regularly voted upon and rejected.

Rule 17. Motion to Separate Part of a Measure. A motion to commit, recommit, or postpone a part of a measure so as to separate that part of the measure from the remainder shall not be in order.

Rule 18. Postponement of Measure. When a measure shall have been postponed indefinitely it shall not be in order again during the session.

Rule 19. Reading of Pending Papers. Any pending bill, resolution, motion or report shall be read by the Clerk upon the demand of any member, but it shall not again be read on the same day unless so ordered by the House.

Rule 20. Nominations. In all elections a previous nomination shall be made.

MEMBERS

Rule 21. Attendance of Members. No member shall absent himself from a session of the House without leave from the House. Written request for leave of absence may be obtained from the Clerk of the House and shall be submitted to the Speaker. The request shall state thereon the member's excuse for obtaining the leave. No excuse for leave of absence shall be heard from the floor.

Rule 22. Decorum of Members. No member shall designate another member by name.

Rule 23. Call to Order. If any member, in speech or otherwise, transgress the rules of order or decorum, he shall immediately be called to order by the chair and shall take his seat. The Clerk shall reduce the objectionable words to writing and read them to the House. After hearing a short explanation from the member called to order, or upon the withdrawal of the objectionable language, the Speaker may permit the member to proceed, or may compel silence upon him until the matter is disposed of. The ruling of the chair shall be subject to an appeal to the House. A member offending the House shall be liable to censure.

Rule 24. Debate. No member may speak more than once to the same subject until all members desiring to be heard have spoken, but nothing in this rule shall do away with the previous question if then in effect, nor permit debate on an undebatable motion.

No member shall speak more than thirty minutes in the aggregate on any question or measure, at the end of which period, or any portion thereof, the floor shall be returned to the Speaker.

Rule 25. Members Shall Vote at Seats. A member shall vote only when at his seat or visibly approaching it.

OFFICERS AND EMPLOYES

Rule 26. Duties of Speaker. The Speaker shall take the chair every day precisely at the hour fixed for the meeting of the House and on the appearance of a quorum, shall cause the Journal of the preceding day to be read, unless the reading of the same is dispensed with by the House.

The Speaker shall preserve decorum and order and, in the event of any disorder in the gallery or in the House Chamber, may cause the same to be cleared of any persons creating disturbances or disorders.

All writs, warrants, subpoenas or other processes shall be signed by the officer who may be presiding over the House when the paper is issued; and his signature shall be attested by the Clerk, when ordered by a majority of the members.

Rule 27. Appeal from Decision of Chair. The Speaker while presiding may speak to points of order in preference to members. He shall decide points of order and manner of procedure. If two or more members arise from their respective seats and address the chair, the Speaker shall determine who was first and recognize him.

Any decision made by the Speaker shall be subject to appeal to the House. Every such appeal shall be in writing and signed by at least two members. During the pendency of an appeal to the House from a decision of the chair, the Speaker shall vacate the chair and call the Speaker Pro Tempore to preside. When the

Speaker Pro Tempore is presiding on an appeal to the House from a decision of the Chair, no motion or business shall be in order except the motion on appeal from the decision of the Chair, and that motion shall not be debatable.

Rule 28. Speaker Pro Tempore. The House shall elect a Speaker Pro Tempore. The Speaker Pro Tempore shall perform the duties of the Speaker when the Speaker is absent from the House or when empowered by the Speaker to perform the duties of the Chair.

Rule 29. Duties of Legislative Research Commission. The Legislative Research Commission shall have charge of all clerical, technical and procedural matters which relate to legislation including but not limited to: notification of committees of their appointment and business referred to them; keeping a calendar showing such bills as are entitled to their second reading each day, distinguishing between House and Senate bills; superintend the engrossing and enrolling of bills; and such other matters as are assigned by the Committee on Committees.

Rule 29A. Duties of Clerk. The Clerk shall have charge of clerical and administrative functions not assigned to the Legislative Research Commission and shall cooperate with LRC to facilitate the work of the House. The Clerk shall read to the House papers ordered to be read; call the roll and note the answers of members when a question is taken by yeas and nays; assist the Speaker in taking the count when any vote of the House is taken; attest all writs, warrants and subpoenas issued by order of the House; certify to the passage of all bills and to the adoption of all joint and concurrent resolutions by the General Assembly; and make all reports to the Senate. The Clerk shall perform such other duties as are assigned by the Committee on Committees.

Rule 30. Journal of Proceedings. The Legislative Research Commission shall cause to be kept the Journal of the proceedings of the House. The Commission staff shall note upon the Journal all questions of order, together with the disposition of same, and the dates upon which all bills and resolutions were sent to committee and returned to the House. The House may correct errors in the Journal the day the Journal containing errors is presented to the House. No record which is in the hands of the Commission staff and is required by law to be entered upon the Journal of the House shall be copied by any person until same shall have been entered upon the Journal and said Journal shall have been approved.

Half an hour before the time fixed for the meeting of the House each day, the Commission staff shall be present at the Clerk's desk with the Journal of the preceding session for inspection of any member of the House.

The Journal for each day, as soon as it has been approved by the House, shall be delivered by the Commission staff to the public printer. The Commission staff shall proofread and index the Journal upon return from the printer and make necessary typographical corrections.

Rule 31. Custody of Papers. The Legislative Research Commission shall have custody of all records, minutes, reports, and documents pertaining to legislation, and shall not allow them to be taken from its possession without the leave of the House, unless to be delivered to the chairman of a committee to which they have been referred. The Legislative Research Commission shall cause to be enclosed on bills and papers brief notes of proceedings had thereon by the House and preserve the same in convenient files for reference.

Rule 32. Accounts of Expenditures. The Legislative Research Commission shall keep the accounts for pay and mileage of members, officers and attaches, and for printing and other contingent expenses of the House and Senate.

Rule 33. Printing of House Papers. The Legislative Research Commission shall have supervision and charge of all printing done for the House as certified by the Clerk and the public printer shall print only such documents and other matter as the Legislative Research Commission authorizes. The clerk shall report to the Speaker every failure to execute printing work correctly and promptly.

Rule 34. Duties of the Sergeant-at-Arms. It shall be the duty of the Sergeant-at-Arms and the Doorkeeper to exclude or remove all persons not entitled to the floor of the House. One hour before convening of the House each day the Sergeant-at-Arms shall announce in a loud, distinct voice: "All persons not entitled to the floor of the House under the rules thereof will now vacate the House Chamber." He shall then compel all persons who are not entitled to remain therein to leave the House Chambers and shall prohibit their entry until one hour after the House has adjourned.

Rule 35. Appointment and Conduct of Constitutional Employes. *The constitutional employes of the House shall be appointed by election during the organizational and regular sessions of the General Assembly and shall serve one (1) year terms or until the election of their successors.*

All the constitutional employes of the House, shall, one hour before the meeting of the House each day, report to the Clerk, who shall report to the Committee on Committees whether or not all of said employes are on duty. The Committee on Committees, whenever it deems it necessary, shall report to the House any dereliction of duty.

Rule 36. Other Employes. All other professional, clerical and other services required by the House or its committees shall be furnished by the Legislative Research Commission, upon the request of the Committee on Committees. Employes performing such services shall be under the supervision of the Committee on Committees.

No officer or employe of the House shall receive any fee, tip or compensation from any member and violation of this rule shall be ground for dismissal.

COMMITTEES

Rule 37. Committee on Committees. There shall be a Committee on Committees composed of the Speaker of the House, the Speaker Pro Tempore, the Majority Caucus Chairman, the Majority Floor Leader of the House, the Majority Party Whip, and the Minority Floor Leader of the House. The Speaker shall be Chairman of the Committee and the majority of said Committee shall have full power to act on all matters referred to said Committee, either by these rules or by the action of the House. All bills and resolutions, either joint or concurrent, shall upon their introduction, be automatically referred to the Committee on Committees who shall refer same to the proper Committee not later than the second day in which the House is in session after the date of introduction.

The Committee on Committees shall have supervision and control over all employes of the House, whether elected by the House or provided by the Legislative Research Commission, and the Committee on Committees shall see that they perform all of their duties to the House and the members thereof. The Committee on Committees is empowered to discharge any or all said employes and officers except the constitutional officers of the House. The Committee on Committees shall appoint the members of all standing and special committees and shall fill any vacancies thereon in accordance with Rule 39.

Rule 38. Standing Committees. The following shall be the standing committees of the House.

1. Agriculture and Small Business
2. Appropriations and Revenue
3. Banking and Insurance
4. Business Organizations and Professions
5. Cities
6. Counties and Special Districts
7. *Economic Development and Tourism*
8. Education
9. *Elections and Constitutional Amendments*

10[8]. Energy

11[9]. Health and Welfare

12. *Judiciary* [~~10. Judiciary-Civil~~

~~11. Judiciary-Criminal~~]

13[~~12~~]. Labor and Industry

14[~~13~~]. Natural Resources and Environment

15[~~14~~]. State Government

16[~~15~~]. Transportation

Rule 39. Appointment of Committees. The Committee on Committees shall appoint the Chairman, Vice Chairman and the members of all standing and special committees and shall fill any vacancies thereon. In making such appointments to standing committees the Committee on Committees shall appoint a member with service in the immediately preceding regular session to at least one committee on which the member served in such previous regular session. Such appointment to the one committee shall be at the preference of the member, and the Committee on Committees shall be bound by the member's preference for that one committee; provided, however, a member who was a committee chairman in the preceding regular session must select for reappointment the committee he so chaired if he wishes to be considered for the chairmanship of that committee; if another selection is made, he shall not be reappointed chairman of the committee which he chaired in the preceding regular session. A member of the Committee on Committees shall not serve as chairman of a standing committee. The Committee on Committees shall select members of each standing and special committee in proportion to the representation of each political party in the House. The Vice Chairman shall act in the absence of the Chairman. The Chairman of any committee may appoint subcommittees to conduct hearings or study any matters which have been referred to the committee.

Before the Committee on Committees shall appoint the members of standing and special committees the number of members on the committee to be appointed shall be announced to the House. At the same time, the Committee on Committees shall announce the number of members of the committee to be appointed from the majority party and the number of members to be appointed from the minority party.

The Committee on Committees shall not appoint more than seventeen (17) members to any one standing committee, except the Committee on Appropriations and Revenue which shall have not more than twenty-three (23) members, and the Committee on Education, *the Committee on Economic Development and Tourism* and the Committee on State Government which shall each have not more than twenty-one (21) members. Every member of the House shall be appointed to at least one standing committee and no member shall be appointed to more than three of the following committees: all standing committees except the Committee on Appropriations and Revenue, the Committee on Education and the Committee on State Government, and the Committee on Committees.

In appointing the membership of standing committees, the Committee on Committees shall consider the predominant business interests or occupation of each member so that the private interests of a majority of a committee's members do not correspond to the jurisdiction of the standing committee.

Rule 40. Jurisdiction of Standing Committees. The Committee on Committees shall refer each bill to the Committee with control over the subject matter. All bills and resolutions on the same subject matter shall be referred to the same committee. The general jurisdiction of the several standing committees shall be:

1. Agriculture and Small Business: matters pertaining to crops, livestock, poultry and their marketing; disease control and warehousing; tobacco; stockyards; agricultural cooperatives and marketing associations; agriculture weights and measures; veterinarians; the state fair; county fairs; all matters not specifically assigned to another committee relating to administrative, regulatory or operating issues which, because of their smaller size, uniquely impact small business.

2. Appropriations and Revenue: matters pertaining to the executive budget and other appropriations of state monies; the levying of state and local taxes, including school taxes; property tax rates and assessments; the state debt; revenue bond projects; veterans bonus; claims upon the treasury; accounting of state funds

by local officers; audits for state purposes; budget and financial administration; payment, collection and refund of taxes.

3. Banking and Insurance: matters pertaining to banking; banks and trust companies; petty loan companies; building and loan associations; credit unions; investment companies; industrial loan corporations; securities; the blue sky law; mortgage guaranty insurance; assessment and cooperative insurance; fraternal benefit societies; hospital service corporations; burial associations; medical and dental service corporations; life, accident, indemnity and other forms of insurance; stock and mutual insurance companies; banking and insurance aspects of the uniform commercial code; interest and usury; pawnbrokers; private credit; consumer credit; sale of checks; installment sales contracts; legal investments; principal and income.

4. Business Organizations and Professions: matters pertaining to professional licensing not assigned specifically to another committee; [~~chambers of commerce; business development corporations;~~] racing; prize fighting and wrestling; places of entertainment; laundry and dry cleaning; alcoholic beverage control; private corporations; cooperative corporations and marketing associations; religious, charitable and educational societies; nonprofit corporations; professional service corporations; cemeteries; barbers and cosmetologists; professional engineers and land surveyors; architects; real estate brokers and salesmen; public accountants; watchmakers; detection of deception examiners; auctioneers; business schools; [~~the business regulation aspects of the uniform commercial code;~~] warehouses and warehousemen; partnerships; trade practices.

5. Cities: matters pertaining to the officers, organization, government and financing of city government; special purpose assessment and taxing districts within a city; incorporation and classification of cities; city revenue bond projects; the imposition of duties and costs on cities; city taxes and licenses; city indebtedness; compensation of city officers; metropolitan sewer districts; interlocal government cooperation; housing projects; urban renewal and redevelopment; city streets and sidewalks; sewers; annexation of territory; consolidation of local government services; forms of city government; city civil service; city finances and revenue; public works; police and fire departments and their retirement systems; parks and playgrounds; planning and zoning; acquisition of waterworks and water districts by cities; financing of municipal improvements; urban service districts; police court and city attorney; city libraries.

6. Counties and Special Districts: matters pertaining to the officers, organization, government and financing of county governments; county imposed taxes and licenses; county and special district debt; the imposition of duties and costs on counties; special districts not assigned to another committee; the powers, duties and composition of fiscal court; compensation of county officers and employes; the offices of county judge, magistrates, county attorney, sheriff, constable, county police, jailer, coroner, surveyor, county clerk; county employes' civil service and retirement; planning and zoning; interlocal cooperation and consolidation of services; county roads; public road districts; water districts; fire protection districts; issuance of bonds for county and special district projects; metropolitan sewer and sanitation districts; local air pollution control districts; county and county law libraries; library districts.

7. Economic Development and Tourism: matters pertaining to commerce, industry, economic and industrial development, and tourism not specifically assigned to another committee; economic development planning, international trade and investment; investment companies and industrial loan corporations as they relate to economic and industrial development; recruitment of business and industry; small business matters relative to economic and industrial development; financing of business and industrial development; business regulatory matters, including the uniform commercial code, relative to economic and industrial development; worker training; technology development and application; chambers of commerce; convention centers and publicly owned exhibition and parking facilities; arts and arts exhibition facilities; state, interstate, and national parks and historic sites; travel promotion and advertising. Subcommittees of the Committee on Economic Development and Tourism shall include but not be limited to the Subcommittee on Industrial Development and the Subcommittee on Tourism.

8. Education: matters pertaining to public primary, secondary and higher education; the state board of education; the state department of education; the powers and duties of local boards of education; conduct of schools: attendance; state support of education; the operation of school districts, teachers' qualifications and tenure; the school curriculum; teachers' retirement; school employes; pupil transportation; school property and buildings: vocational education and rehabilitation; state universities and colleges; community colleges; municipal universities and colleges; regional education; education of the physically handicapped; educational television.

9. Elections and Constitutional Amendments: matters pertaining to the proposing of constitutional amendments and the calling of a constitutional convention; ratification of amendments to the United States Constitution; the election of officers to state, local and school board positions; election commissioners, officers

and precincts; qualifications, registration and purgation of voters; conduct of regular elections; primary elections; presidential and congressional elections; special elections to fill vacancies; contest of elections; corrupt practices and election financing; election offenses and prosecutions; voting machines; absent ballots.

10[*8*]. Energy: matters pertaining to privately owned public utilities; rates, permits, certification of convenience and necessity; water district rates; utilities in cities; public utility cooperatives; electric and gas utilities and cooperatives; oil and gas transmission companies; telephone companies and cooperatives; municipal utilities and water works; energy and fuel development, including synfuels; energy waste disposal; Utility Regulatory Commission and Energy Regulatory Commission; solar and other renewable energy; hydroelectric and thermo-nuclear energy; and gasohol.

11[*9*]. Health and Welfare: matters pertaining to health and welfare in cities; fire prevention and protection; support of dependents; [~~probation and parole;~~] garbage and refuse disposal; public assistance; [~~correctional penitentiaries;~~] child welfare; adoptions; mothers aid and assistance to children; children's homes; incompetents; poor persons and poor houses; confederate pensions; aid to needy blind; commitment and care of children; mental health; health, medical and dental scholarships; local health units and officers; vital statistics; communicable diseases; tuberculosis hospitals; hospitals, clinics and personal care homes; foods, drugs and poisons; hotel, restaurants and trailer park regulations; sanitation plants; sanitation districts; frozen food locker plants; alcoholism; physicians, osteopaths and podiatrists; chiropractors; dentists and dental specialists; registered nurses and practical nurses; pharmacists; embalmers and funeral directors; clinical psychologists; optometrists, ophthalmic dispensers; physical therapists.

12[*10*]. Judiciary[-*Civil*]: matters pertaining to contracts; *the uniform commercial code;* debtor-creditor relations; ownership and conveyance of property; private corporations and associations; competency proceedings; administration of trusts and estates of persons under disability; descent, wills and administration of decedents' estates; domestic relations; support of dependents; statutory actions and limitations; eminent domain; arbitration; summary proceedings; declaratory judgments; witnesses; evidence; legal notices; construction of statutes; civil procedure; the Supreme Court, District Courts, the Court of Appeals, and Circuit Courts; jurisdiction, rules, terms, judges, commissioners, selections, districts, qualifications, compensation and retirement; clerk of courts; juries, attorneys; commissioners and receivers; [~~and~~] court reporters[~~.~~

~~11. Judiciary-Criminal: matters pertaining to support of dependents; statutory actions and limitations~~]; habeas corpus; [~~witnesses; evidence;~~] crimes and punishments; criminal procedure; *probation and parole; correctional penitentiaries;* civil rights; and juvenile matters.

13[*12*]. Labor and Industry: matters pertaining to *the work-force and workplace* [~~commerce~~] not specifically assigned to another committee; [~~industrial financing and development;~~] labor unions; collective bargaining; liquefied petroleum gas and other flammable liquids; hotels, electricians; plumbers and plumbing; wages and hours; garnishments; safety and health of employes; child labor; employment agencies; apprenticeship; unemployment compensation; workers' compensation; consumer protection; industrial weights and measures.

14[*13*]. Natural Resources and Environment: matters pertaining to forestry; mining; fish and wildlife resources; soil and water conservation; flood control and water usage; drainage and irrigation; geology and water resources; waterways and dams; oil, gas and salt water wells; state and national parks; drainage districts and local flood control and water usage; water pollution; air pollution; management of waste; protection of the environment; Natural Resources and Environmental Protection Cabinet.

15[*14*]. State Government: matters pertaining to the sovereignty and jurisdiction of the Commonwealth; the general assembly, its committees, officers and service agencies; redistricting; the governor; the lieutenant governor; intergovernmental cooperation; relations with the federal government; administrative organization; administrative regulations; statutory administrative agencies; department of law; secretary of state; state personnel; state retirement systems; military affairs and civil defense; public property and public printing; public officers, their terms, appointments, fees, compensation, removal, oaths and bonds; public information; state and regional planning; [~~the arts;~~] the libraries; archives and records; public corporations; commonwealth attorney; circuit clerk[~~; proposing of constitutional amendments and the calling of a constitutional convention; ratification of amendments to the United States Constitution; legislative and congressional districts; the election of officers to state, local and school board positions; election commissioners, officers and precincts; qualifications, registration and purgation of voters; conduct of regular elections; primary elections; presidential and congressional elections; special elections to fill vacancies; contest of elections; corrupt practices and election financing; election offenses and prosecutions; voting machines; absent ballots~~].

16[*15*]. Transportation: matters relating to airports and aviation; boats and boating; licensing of motor vehicles; operators and trailers; financial responsibility law; nonresident motorists; motor vehicle sales; railroad rates, service and operating regulations; motor carriers; matters pertaining to the construction and maintenance of the state highway system; the Department of Transportation; state aid for local roads and streets; the state police; the Federal Highway safety law; turnpike authority; state and federal highways; limited access facilities; use of road bond monies; bill boards; automobile recyclers; highway beautification; bridges, tunnels and ferries; traffic regulations; vehicle equipment and storage; driver training schools.

Rule 41. Rules Committee. There shall be a Rules Committee composed of the Speaker of the House, the Speaker Pro Tempore, the Majority Floor Leader, the Majority Caucus Chairman, the Majority Party Whip, the Minority Floor Leader, the Minority Caucus Chairman, the Minority Party Whip, and not less than nine nor more than thirteen members appointed by the Committee on Committees. All bills and resolutions having been reported out of the committee to which referred and having received their second reading shall be referred to the Rules Committee. The Rules Committee may refer any bill or resolution before it back to a standing committee. Provided, however, that such recommitment shall be accompanied by an explanation of the reason therefor, and that no bill or resolution shall be referred back by the Rules Committee on more than one occasion. All meetings of the Rules Committee shall be open to members of the House and to members of the Capitol Press Corps only. No electronic devices of any nature including cameras and recording devices shall be allowed in the committee room or to be used therein by any person while the Rules Committee is in session. No bill may be kept in Rules Committee for longer than five (5) legislative days. Within that time each bill must be reported to the floor or referred back to a standing committee.

The Majority Floor Leader shall while the Rules Committee is in session call bills and resolutions and shall call the same for consideration by the Rules Committee. A bill or resolution may be placed for consideration in the first order of business at the next regular Rules Committee meeting by a majority of the membership voting for such consideration.

Each member shall be given an opportunity upon request to appear before the Rules Committee when a bill of which he is a sponsor or co-sponsor is under consideration including the subsequent vote thereon. No measure shall be posted in the Orders of the Day for final passage except by order of the Rules Committee unless otherwise ordered posted for the next succeeding legislative day by a majority of the members voting. The Rules Committee shall arrange the Orders of the Day so that all measures shall appear thereon for the consideration of the House, but the Rules Committee may not place in the Orders of the Day any bill or other measure in the possession of a standing or special committee of the House. The Rules Committee, prior to each day's session, shall post a notice in a regular place in the House Chamber listing the bills to be considered that day in the Orders of the Day. Should the House not complete any day's Orders of the Day, the bills and resolutions remaining unconsidered shall go to the top of the Orders of the Day on the next day that Orders of the Day are considered.

The Speaker of the House shall act as Chairman of the Rules Committee. The Majority Floor Leader of the House shall act for the Rules Committee in calling from the Orders of the Day any bills or resolutions in the order he deems proper and shall be recognized by the Speaker for said purpose during all times that the Rules Committee is in charge of posting the Orders of the Day. The Speaker Pro Tempore shall act as chairman in the absence of the Speaker.

Rule 42. Liaison Subcommittees: The Committee on Appropriations and Revenue shall be divided into the following six standing subcommittees of seven members each.

1. Subcommittee on *Economic* Development and Energy, Natural Resources, and Environmental Protection;

2. Subcommittee on Education;

3. Subcommittee on General Government, Finance, and Public Protection;

4. Subcommittee on Human Resources;

5. Subcommittee on Justice and Judiciary;

6. Subcommittee on Transportation.

Of the seven members of each such subcommittee four shall be members of the Committee on Appropriations and Revenue designated by the chairman of such committee, and three shall be appointed by the Committee on Committees from the membership of one or more of the remaining standing committees of the House. The chairman of each standing subcommittee shall be appointed by the chairman of the Committee on Appropriations and Revenue from the membership of such committee on the particular standing subcommittee.

The remaining three members of each standing subcommittee shall be deemed a liaison subcommittee of the standing committee or committees from which they were appointed. A vice chairman of the standing committee from which such members were appointed shall act as chairman of the liaison subcommittee. The selection of such vice chairman shall be made by the Committee on Committees. If such three members have been appointed from more than one standing committee the Committee on Committees shall determine which standing committee vice chairman shall act as chairman of the liaison subcommittee.

The liaison subcommittee members of the standing subcommittee shall have full voting authority in all matters before the standing subcommittee.

Rule 42A. Budget Review. The standing budget review subcommittees shall notify the membership of the standing substantive committees whose jurisdictional area will be affected by their action of any meetings or hearings and the members of the standing committees may participate as non-voting members.

When the budget review subcommittees have concluded their hearings and formulated their recommendations they shall communicate their recommendations to the affected standing committee or committees who may thereafter file a written response to the recommendations, which response shall be transmitted to the full Committee on Appropriations and Revenue with the subcommittee recommendations.

When the full Committee on Appropriations and Revenue has reported the final budget bill or bills to the floor, it shall notify the affected standing committees of the content of the budget relating to their areas of jurisdiction.

Any budget bill reported out of the Committee on Appropriations and Revenue shall be accompanied by a detailed explanation of modifications of the original budget. The Rules Committee shall not post for passage any budget bill less than five days after the bill has been finally reported out of committee.

Rule 43. Enrollment Committee. The Committee on Committees shall appoint an Enrollment Committee of not more than seven members. The Enrollment Committee shall be responsible for the engrossment and enrollment of bills and resolutions under the Rules of this House.

Rule 44. Committee on Conference. When a House bill has been amended in the Senate and the House refuses to concur in said amendment, or when a Senate bill has been amended in the House and the Senate refuses to concur in said amendment and when neither will recede from such action, the Committee on Committees shall appoint a Committee on Conference to meet a like committee from the Senate. The Committee on Conference shall confer with the Senate Committee and report back to the House within a reasonable time, in the same manner as reports are made for House bills. The conference report shall make no recommendation other than agreement upon or rejection of the matter or matters in controversy, and shall be voted upon, and, if adopted the bill shall immediately be put upon its final passage.

Should a committee on conference report its inability to submit a report, or if either house refuses to adopt its report, each house may appoint a committee on free conference, consisting of three or more members. A committee on free conference shall propose no new appropriation or any appropriation above the level originally designed by either chamber. The free conference report shall be voted on, and if adopted, the bill shall immediately be put upon its final passage.

Except for report of disagreement, the question of consideration of the report of a conference committee or a free conference committee shall not be in order on the same legislative day as distribution of copies of the report together with a staff analysis of the report to the members of the House.

Rule 45. Meetings of Committees. No committee except the Committee on Committees, the Committee on Enrollment and a Committee on Conference between the House and the Senate shall sit while the House is in session, unless by consent of the House. The Committee on Committees and Committee on Enrollment may report at any time except during roll call or while a vote is being taken.

The Committee on Committees, in conference with committee chairmen, shall schedule a definite time and place for the regular weekly meetings of each committee, such schedule to be posted in the House Chamber and published in the Legislative Record. A committee shall meet at the regular weekly scheduled time and place so long as business is pending before the committee. Nothing herein shall prevent the Chairman or a majority of any committee from calling a special meeting in addition to those regularly scheduled.

The Chairman shall keep a record of the attendance of members at meetings, which record shall be filed with the Clerk.

The Director of the Legislative Research Commission, under the direction of the Committee on Committees, shall assign a secretary to each committee and provide any professional, clerical or other employes required by any committee.

The Committee on Committees shall meet on call of the Speaker or on call of a majority of the members of the Committee on Committees.

Rule 46. Committee Reports. No bill or resolution shall be considered by the House except on report of committee. Upon the call of standing committees, the Clerk or the Chairman or ranking member of the committee may report the bill in the following manner:

"With the expression of opinion that the same should pass," or

"With the expression of opinion that the same should pass, with the committee amendment attached thereto," or

"With the expression of opinion that the same should pass, with the committee substitute attached thereto," or

"With the expression of opinion that the same should not pass."

Rule 47. Majority and Minority Reports. It shall require a majority of the committee membership to report a bill. The chairman shall keep a record of the vote of each member on the disposition of each bill, and shall report the total vote on each side to the House. The chairman may sign reports on behalf of a majority of the committee members. His signature shall attest to the action of a majority, but shall not be construed as his personal approval or disapproval of the bill.

A committee report may be accompanied by a minority report, signed by those members who have dissented from the committee's report, and it shall be in order to move the adoption of the minority report as a substitute for the committee's report when the committee offers its report. It shall require a majority of the members elected to adopt the minority report. The Committee's report shall always be read before the minority report is read.

Rule 48. Failure to Report. Whenever a committee fails or refuses to report within a reasonable time a bill submitted to it, any member may by filing with the Clerk a written request signed by twenty-five or more members, call the same up for consideration on the next succeeding legislative day after the filing of said request. If a majority of the members elected to the House concur therein, the bill shall be considered as though it had been regularly reported.

Rule 49. Procedure in Committee. The rules of procedure in the House shall be observed in committee insofar as the same are applicable. The committee chairman, or the committee by majority vote in a regularly called meeting, shall post at least three calendar days prior to their consideration the bills and resolutions to be considered by the committee at its next meeting provided that no bill or resolution shall be posted by the chairman or the committee by a majority vote unless and until a request for posting form has been filed with the committee chairman or secretary and approved as containing satisfactory information by the committee chairman. No measure shall be considered except those posted. A list of the measures to be considered shall be filed with the Clerk at least three calendar days prior to the meeting. In the case of prefiled bills receiving a favorable expression from the interim joint committee to which they were assigned, posting by the chairman or the committee shall occur during the first week of the session, and such bills shall be considered by the appropriate committee during the first three weeks of the session. No posting request shall be required for such prefiled bills. This rule does not apply to bills with a fiscal impact of more than $20,000.

BILLS AND RESOLUTIONS

Rule 50. Form of Bills. All bills introduced shall be *printed on the computerized bill preparation system* [~~typewritten on the Automated Legal Text Entry and Revision System~~] of the Legislative Research Commission, and none otherwise prepared shall be accepted for introduction. Bills shall be offered as one original and three distinctly legible copies. Identical bills for introduction in the other chamber may be exact reproductions of original bill provided one copy is authenticated by the Director of the Legislative Research Commission as the original to be introduced in the other chamber. The original shall be the official bill, and shall be retained by the Legislative Research Commission staff for the use of the House until engrossed and sent to the Senate. *A replacement original of a bill, generated pursuant to these Rules, shall thereafter be considered the original and official bill.* One copy shall be used by committees; one copy shall be for the use of the press and shall be given to a person designated by the press club; and one copy shall be retained by the Legislative Research Commission for its work file. Each copy shall be backed with a protective cover, as provided for this purpose by the Legislative Research Commission. The title of the bill, or a portion thereof, and the signature of the member introducing the bill shall be placed on each cover.

In all bills, as introduced and as printed, any new matter contained therein shall be underscored; and when an amendment proposes the omission or elimination of matter in an existing law, such omission or elimination shall be indicated on the [~~typewritten bill and on the printed~~] bill by placing the material proposed to be eliminated in brackets, and by striking through the words to be omitted or eliminated with a single line so as not to render such words illegible. In any bill seeking to repeal existing sections of the Kentucky Revised Statutes said sections sought to be repealed shall be identified by way of inclusion of the headnotes applied to each such section as it appears in the Kentucky Revised Statutes. The Legislative Research Commission staff shall see that all bills introduced *have been prepared through the computerized bill preparation system of the Legislative Research Commission* [~~conform with the Automated Legal Text Entry and Revision System method of preparation. The Enrolling Clerk in enrolling a bill which contains deleted material appearing in brackets shall strike over such deleted matter~~].

Rule 51. Introduction of Bills. Bills and resolutions may be introduced by filing them with the Bill Introduction Clerk in her office at any time the same is open. Bills and resolutions introduced by filing them with the Bill Introduction Clerk after the House has concluded Item 4, in Rule 4, Order of Business, shall be considered as having been introduced the next succeeding legislative day. The Bill Introduction Clerk shall number bills in the order received and transmit a copy immediately after introduction on the House floor to the Committee on Committees for reference to committee. No bill or resolution having the force of law shall be introduced after the thirty-eighth legislative day of the session. The last two legislative days preceding the veto recess shall be reserved by the House exclusively for the business of concurring in amended House bills.

Rule 52. Fiscal Note Required. A sponsor of a measure may at any time prior to the filing of a request for posting form require a fiscal analysis to be made by the Legislative Research Commission upon the same and a fiscal note attached thereto.

The chairman of the committee to which the measure has been referred may, at any time after a request for posting form is filed with the committee by the sponsor, determine that a fiscal analysis is required on any measure not carrying a fiscal note. The chairman upon such determination shall cause a fiscal analysis to be made by the Legislative Research Commission and a fiscal note attached prior to posting the measure for consideration.

After posting the measure a majority of the committee may determine that a fiscal analysis is required on any measure not already carrying a fiscal note and shall direct the same to be accomplished and fiscal note attached with all dispatch. A committee may consider any measure on the date for which it is posted even if it is determined by the committee on that date that a fiscal analysis is required, however, no final action shall be taken by the committee upon said measure until a fiscal note is presented to the committee and attached to the measure.

Any member proposing to amend from the floor a bill or resolution which carries a fiscal note or if the proposed amendment itself carries a fiscal implication, the member proposing the amendment shall cause a fiscal analysis of the amendment to be made and a fiscal note attached to the proposed amendment at the time of introduction. In the event an amendment is introduced without a fiscal note, any member may raise the question of fiscal implication to the amendment by a motion and by majority vote require a fiscal analysis to be made and a fiscal note attached to the amendment. If a fiscal analysis and note is required by the membership, action on the bill or resolution to be amended along with the proposed amendment shall

be passed over in the Orders of the Day but retained in the Orders of the Day. A fiscal note required by the membership shall be filed and attached to the amendment prior to the convening of the session of the next legislative day. In the event it is impossible to complete the analysis and prepare a fiscal note before the convening of the session on the next legislative day, the Director of the Legislative Research Commission shall so advise the membership by letter and state a time in which the same can be completed and filed with the House.

If the Director of the Legislative Research Commission certifies that the fiscal note cannot be completed within the prescribed time, the amendment shall not be in order unless the members, by majority vote, determine either: (1) act on the amendment and the bill or resolution without the benefit of the fiscal note, or to (2) pass over the bill or resolution in the Orders of the Day and allow it to be retained in the Orders of the Day until the fiscal note is filed.

Rule 52A. Local Mandate Impact Statement. Any bill which relates to any aspect of local government or any service provided thereby shall be analyzed by the LRC for its fiscal impact upon local governments and if determined to contain a local mandate shall have a local mandate impact statement attached prior to final consideration.

No measure which contains a local mandate shall be placed in the Orders of the Day until the local mandate impact statement is attached unless the requirement of the statement has been waived by a vote of two-thirds (2/3) of all members of the House/Senate.

Any member proposing to amend from the floor a bill which contains a local mandate or if the proposed amendment itself contains a local mandate, shall cause a fiscal analysis of the amendment to be made and a local mandate impact statement attached to the proposed amendment. Until such time as the local mandate impact statement is prepared and attached to the amendment, action on the bill to be amended along with the proposed amendment shall be passed over in the Orders of the Day but retained in the Orders of the Day.

Rule 53. Proposed Administrative Regulations. (1) Before committee consideration of any bill originating in the House, which contains the authority for any agency, board or political subdivision of state government to promulgate regulations, the bill shall have attached a copy of a statement of legislative intent for the bill, including a summary of guidelines to be followed in preparing regulations pursuant to the bill.

Every committee shall have the exclusive right to determine whether the summary submitted meets the requirements of this rule. The committee may waive the provisions of this rule by majority vote, and shall acknowledge on its committee report the receipt of and consideration of the matters submitted with the bill pursuant to this rule.

The purpose of the requirements of this rule is to inform the House of the general scope of the regulations authorized by the bill and to provide a permanent record of legislative intent; and pursuant thereto, when any bill subject to the provisions of this rule becomes law the Director of the Legislative Research Commission shall cause to be filed with the Administrative Regulation Review Subcommittee of the Legislative Research Commission the summary of the regulations submitted with the bill to be used by the Administrative Regulation Review Subcommittee when reviewing regulations promulgated pursuant to the bill. The Administrative Regulation Review Subcommittee shall use the material submitted with the bill to determine legislative intent.

Nothing contained in this rule shall preclude the promulgation of regulations differing from those filed or summarized and submitted with the bill.

(2) This amendment of the Rules of the House of Representatives shall apply only to bills introduced after February 5, 1980.

Rule 54. Rejected Administrative Regulations. When an administrative regulation has been referred by the Clerk to a standing committee of the House, the committee shall review the regulation and take such action as it deems appropriate. If the committee recommends rejection it must set forth in its report the reasons for its rejection which shall be for either of the following reasons, or both: (1) The administrative regulation does not conform to statutory authority. (2) It does not carry out legislative intent.

Unless the House and Senate committees both recommend rejection of the regulation in their committee reports and the committee reports are thereafter adopted by at least two-fifths of the members elected to each house, and a majority of the members voting, the regulation shall become effective.

When a House committee report recommending rejection has been adopted by the House as set forth above, the House clerk shall so notify the clerk of the Senate.

If both the Senate and the House have approved committee reports recommending rejection of a regulation, a report to that effect shall be signed by both clerks and sent to the promulgating agency and the regulations compiler. A copy of this report shall be on file in the office of the Clerk of the Senate and in the office of the Clerk of the House.

Proposed regulations that have been properly laid before the general assembly shall become effective upon sine die adjournment of the general assembly unless the general assembly in regular session shall disapprove the proposed regulation.

Rule 55. Reference of Bills. The Committee on Committees shall refer all bills to the proper standing committee not later than the second day in which the House is in session after the date of introduction. When a House bill has been amended in the Senate and has been returned to the House for concurrence in the amendment, it may be referred to a committee in the same manner as original bills are referred. Bills originating in and passed by the Senate when reported to the House shall be referred to the Committee on Committees and shall take the same course as other bills.

Rule 56. Printing of Bills. Upon receipt of a bill, the Legislative Research Commission shall examine the form of the bill to ensure that it is free from errors of form or typography and has been assigned the proper KRS section or chapter numbers. If a formal change is necessary the Commission shall request the sponsor of the bill to sign a form approving the specified changes. If a bill is found to be correct, or corrections have been approved, the Commission shall authorize its printing.

The Legislative Research Commission shall have printed at least two hundred copies of each bill or resolution carrying the force and effect of law introduced in the House and of each bill or resolution carrying the force and effect of law acted on by the Senate and reported to the House. Bills shall be printed in the order in which they are introduced and shall be distributed to members immediately upon receipt from the printer.

Rule 57. Readings of Bills. If a bill be reported with the expression of opinion that it should not pass a vote may then be taken on whether it shall be read at length and be placed on the Calendar, if a majority of the members elected to the House shall concur therein. When reported favorably by the committee, the bill shall then be given its first reading at length and shall be placed by the Commission staff upon the Calendar to be kept by the staff, and shall then be entitled to its second reading the next succeeding legislative day.

Every bill shall be read at length on three different legislative days; but the second and third readings thereof at length may be dispensed with by a majority of all the members elected to the House and the bill read by its title.

Rule 58. Calendar; Consent Calendar. (1) In order to reduce the time required for final passage of bills posted in the Orders of the Day, a consent procedure for the consideration of uncontested bills shall be established and designated as follows:

(a) The Commission staff shall keep a Regular Calendar and a Consent Calendar for each legislative day showing the bills receiving their second reading.

(b) The Commission staff shall also keep a Regular Orders and a Consent Orders showing bills posted for final passage by the Rules Committee.

(2) Bills reported by a Standing Committee with a regular "should pass" or "should pass with committee amendment/substitute attached" recommendation shall be shown in the Regular Calendar on the day on which they are entitled to a second reading.

(3) A Standing Committee may at the time of favorably reporting any House or Senate Bill, recommend that it be placed in the Consent Calendar provided:

(a) The primary sponsor has so requested when it is a House Bill, and

(b) The bill receives a "should pass" or "should pass with committee amendment/substitute attached" recommendation from such committee by a unanimous vote of the members present.

Any House or Senate Bill thus reported shall be first placed in the Consent Calendar on the day on which it is entitled to a second reading and shall continue to be shown in said Calendar until taken therefrom by the Rules Committee and posted in the Consent Orders. Bills receiving a second reading should be so designated to distinguish them from bills which have already received their second reading.

(4) A certificate shall be attached to each bill recommended for the Consent Calendar showing the request of the sponsor of any House Bill, and the unanimous recommendation of the members present signed by the Chairman.

(5) After a sufficient number of bills have accumulated in the Consent Calendar, the Rules Committee may post any or all of said bills to the Consent Orders for a day certain. On that day certain the Consent Orders shall be called before the Regular Orders.

(6) Upon the call of the Consent Orders each bill in said Orders shall be given a third reading by title only. The Speaker shall then allow a reasonable time for questions from the floor and any explanation necessary by the sponsor or committee chairman. Consent Order bills may not be amended from the floor.

(7) The Commission staff shall attach a roll call to each bill in the Consent Calendar and any member may at any time prior to passage of the Consent Orders record with the Commission staff his "nay" or "pass" vote on any bill within the Consent Calendar or Consent Orders.

(8) Upon the call for the question on the Consent Orders, the Speaker shall instruct the Commission staff to announce the "nay" and "pass" votes previously filed on each bill in the Consent Orders. All other members present in the chamber on the day and at the time the Consent Orders are called shall be considered as having voted "aye" and the roll call attached to each bill shall so reflect as the final vote.

(9) Upon the written petition of any five members objecting to the placement or retention of any bill in the Consent Calendar or Consent Orders, such bill shall cease to be so considered and shall be placed in the Regular Calendar or Regular Orders as provided in these rules.

Rule 59. Orders of the Day. When a bill has had its second reading it shall be placed in the Orders of the Day, or be recommitted, and when next reached in the House it shall be ready for recommitment, or to be read a third time and placed upon its passage, and the Speaker shall so announce to the House.

A bill may be recommitted or amended in accordance with these rules at any time before its passage. Bills shall be placed in the Orders of the Day in the order in which they have been given their second reading, and shall be taken therefrom in accordance with Rule 41. When a House bill is in the Orders of the Day, it shall be in order on motion of the author to substitute for it an identical Senate bill which is in the Calendar of the House.

No bill shall be taken from the Orders of the Day unless it shall have been printed and previously distributed to members.

Rule 60. Final Passage. When a House bill has been amended in the Senate and the House has concurred in the amendment, the bill as amended shall immediately be placed upon its passage.

Rule 61. Amendments to Bills. All amendments offered shall be on sheets with a proper heading printed in black, furnished by the Commission staff, and shall bear the signature of the members offering the same. All amendments shall give the proper page and line of the printed bill. Three copies of each amendment shall be introduced. No amendment shall be in order that is not germane to the matter under consideration and unless it shall have been printed and previously distributed by the Clerk to members at least one legislative

day prior to consideration of the bill or resolution and unless it complies with Rule 52 relative to fiscal analysis; and the Speaker, when the question is raised, shall rule as to the admissibility of the proposed amendment, subject to appeal to the House.

Any amendment to a House bill under consideration containing the substantial text of the language of another bill shall require for its consideration the affirmative vote of a majority of the members of the House. The commission staff shall cause such amendments to be identified when the bill proposed to be amended thereby is posted on the Orders of the Day. When a question is raised as to the identity of the proposed amendment containing the substantial text of another bill the Speaker shall rule thereon, subject to appeal to the House.

Rule 62. Engrossment of Bills. Every House bill and joint resolution, together with the amendments thereto, which has been passed by the House and not subject to further amendment or motion, shall be engrossed by the Commission staff. *The Clerk shall endorse* [~~and so certified by the Clerk, endorsing~~] thereon the day of passage or adoption. The bill shall be delivered to the Senate in open session by the Clerk or someone designated by him, and Senate concurrence asked therein. A like procedure shall be observed toward Senate bills.

When engrossing a bill, the Commission staff may incorporate amendments by means of typing *or by generating a replacement original of the bill through computerized process* [~~only. When an amendment strikes out any part of the original it shall be indicated in the engrossed copy by one parallel line over the part to be stricken out, in such a way as not to render illegible the original words~~].

Rule 63. Enrollment of Bills. All House bills and resolutions which have passed both the Senate and the House shall be delivered by the Commission staff to the Enrolling Clerk, taking a receipt therefor, in the order in which passed. The Commission staff shall keep the number and title of all bills and joint and concurrent resolutions carrying the force and effect of law, passed by the House of Representatives and the Senate in a suitable record book attesting the fact and date of passage.

In the event a bill which originates in the House is amended by the Senate and the House concurs in the amendments proposed and adopted by the Senate, the Commission staff shall engross said amendments in the *original copy of the bill by typing or may generate a replacement* original copy of the House bill *through computerized process*, [~~attested by the Clerk,~~] before delivering the bill to the Enrolling Clerk of the House. [~~The Enrolling Clerk shall then cause the original bill as attested by the Chief Clerk and the safety copy of the bill as delivered from the Senate to conform to each other by typing in indelible typewriter ink or by writing in red ink the amendments engrossed in the original bill in the safety copy.~~]

In cases of extreme emergency and during the last three days prior to sine die adjournment, where no correct printed copy *can be produced* [~~is available~~], the Enrolling Clerk may enroll such bill or resolution by typing the same [~~on safety paper or by enrolling the same in long-hand~~].

The original bill or resolution *or replacement therefor, if applicable,* and *an enrolled copy shall be* [~~a printed copy upon safety paper in the exact form as finally passed shall be certified to by the Enrolling Clerk and~~] delivered to the Committee on Enrollment. *The Enrolling Clerk shall certify that each are in the exact form as finally passed prior to such delivery.* The Committee on Enrollment and the Enrolling Clerk shall jointly compare the original bill with the enrolled copy, and if the enrollment is ascertained to be correctly done, the Committee shall report the same to the House. If any bill or resolution is found not correctly enrolled, it shall be returned to the Enrolling Clerk to be properly enrolled and delivered to the Committee on Enrollment as is first provided herein.

Rule 64. Signing of Bills. The Enrolling Clerk of the House shall deliver the original and enrolled copies of House bills and resolutions signed by the Speaker to the Chairman of the Enrollment Committee of the Senate for presentation to the President of the Senate for his signature. When signed by the President of the Senate, the enrolled bill or resolution and the original copy thereof shall be returned by the Enrolling Clerk to the Clerk of the House who shall present the enrolled bill or resolution to the Governor for his approval and take his receipt for same.

Rule 65. Resolutions. Resolutions having the force and effect of law shall be treated and considered as bills in all respects under these rules. However, simple resolutions expressing the will of the House and all resolutions recommending a study by an interim committee may be considered for adoption after receiving a recommendation from a standing committee and being posted for passage by the Rules Committee. All

resolutions recommending a study by an interim committee shall include an approximate cost of the proposed study. *All resolutions recommending or requiring a study, or which recommend or create a task force or special committee of the legislative research commission shall be concurrent or joint resolutions.*

Rule 66. Legislative Citations. For the purpose of extending the commendations, condolences or congratulations of the General Assembly to a particular person, or to recognize a particular event or occasion, there may be issued a "Legislative Citation." Citations may not be used for procedural matters, matters of a controversial or partisan political nature, nor in place of resolutions memorializing the U.S. Congress, but only when appropriate to express the feeling of the House or of the General Assembly with reference to a person or event.

Each such citation shall be prepared in single copy on an artistically designed form, suitable for framing, shall bear the signature of the sponsor and the name of the person or event cited, and upon adoption shall be spread at length upon the Journal. Citations shall be considered in the order of business "Motions, Petitions and Communications," and without objection shall be adopted *en bloc* after reading individually by title. Citations shall be offered for consideration through presentation to the Clerk.

A resolution shall not be accepted for introduction if offered in lieu of a Legislative Citation.

VOTING

Rule 67. Roll Call. Any member, with a second, may demand a roll call on any matter pending before the House. The names of members shall be arranged alphabetically when taking a yea and nay vote.

Any time these rules require a roll-call vote, or a yea and a nay vote of the members, such vote may be taken by either a voice roll call or the electrical voting system, as ordered by the Speaker.

The Speaker, before each roll-call vote is taken, shall instruct the Clerk to sound the warning chimes installed in that part of the Capitol assigned to the use of the House.

During a roll call any one member, with a second, may request and be afforded a delay of two minutes prior to the closing of the roll. Only one such motion shall be observed during any one roll call.

Rule 68. Electrical Voting System. When the House is ready to vote upon any question requiring a roll call, and the vote is to be taken by the electrical roll call system, the Speaker shall announce:

"The question is on the passage of (designating the matter to be voted upon). All in favor of such question shall vote 'yea,' and all opposed shall vote 'nay.' The House roll is now open for voting."

The Speaker shall recognize any member who rises for the purpose of explaining his vote. No member shall be allowed to speak more than three minutes to explain his vote, and shall not speak at all if the question is not a debatable question.

When sufficient time has been allowed the members to vote and to explain their vote, the Speaker shall announce: "Have all voted?" "Does anyone desire to change his vote?" And after sufficient pause shall lock the roll call system and instruct the clerk to record the vote. It shall be the responsibility of each member to determine the accuracy of his individual vote as registered opposite his name on the electrical roll call board and advise the Speaker of any desired change before the roll call system is locked.

The clerk shall immediately start the recording equipment, and when completely recorded, shall present the result to the Speaker who shall announce same to the House. The Clerk shall enter upon the Journal the result in the manner provided by the rules of the House.

At the same time the vote is recorded by the electric recording equipment an original and five duplicate roll call sheets shall be made showing the vote, two of which duplicates shall be for use of the press, and one copy shall be furnished to the Legislative Research Commission.

Rule 69. Voting for Others Prohibited. No member shall vote for another member, nor shall any person not a member cast a vote for a member. In addition to such penalties as may be prescribed by law, any

member who shall vote or attempt to vote for another member may be punished in such manner as the House may determine. If a person not a member shall vote or attempt to vote for any member he shall be barred from the floor of the House for the remainder of the session and may be further punished in such manner as the House may deem proper, in addition to such punishment as may be prescribed by law.

Rule 70. Pairing. All pairs announced in the House shall be entered on the Journal.

Rule 71. Adjournment Extended During Roll Call. When the roll is being called in taking a yea and nay vote, and the hour of an adjournment arrives, the same shall stand extended until after said yea and nay vote has been completed and the result announced.

PRIVILEGE OF THE FLOOR

Rule 72. Persons Entitled to the Floor. No person shall be permitted upon the floor of the House when in session and two hours before and after the House is in session except the present members of the General Assembly and all officers and employes of the General Assembly. Bona fide newspaper correspondents designated in writing by the daily newspapers or press service they represent, shall be admitted to the floor when recommended by the Committee on Committees and shall be governed by the rules of the House and assigned by the Committee on Committees to a press section specifically set aside for them.

A special section of the gallery shall be reserved for the families and guests of members, who shall be admitted upon presentation of an identification card. Other persons shall be admitted to that part of the galleries not reserved for members' families. Members may submit the names of guests to the Clerk, who shall read the names to the House. Members shall not introduce guests from the floor.

Rule 73. Restriction of lobbying and access to the House Chambers and office areas. No person shall engage in lobbying for or against any measure while the House is in session, or in recess, in any of the corridors or passages or in any of the rooms in that part of the Capitol assigned to the use of the House, and no registered lobbyist shall enter that part of the Capitol while the House is in session. This rule shall not be construed to prohibit the use of the corridors or passages in going to and from the House galleries by any person.

Only authorized persons shall be allowed access to the office areas assigned for use of the members and staff of the House. For the purposes of this paragraph, "authorized person" means a member of the General Assembly, an employe of the General Assembly or Legislative Research Commission, or a person having obtained specific access authorization from such member or employe. For the purposes of this paragraph, "office areas" means the fourth floor of the Capitol.

Rule 74. Restrictions. No article, booklet, pamphlet or any other printed material shall be placed upon the desk of any member unless said article, booklet, pamphlet or other printed matter contains the signature of the author, or the party interested in the distribution thereof is clearly identified. All such articles, booklets, pamphlets or any other printed material shall conform to accepted public taste and shall contain no matter appealing to prurient interest or without redeeming social value. Such documents shall be delivered to the message room and shall upon direction of the clerk after inspection, be placed in the members' bin. The Sergeant-at-Arms shall be charged with the duty of inspecting such material and seeing that no individual other than employes of the House under the direction of the Clerk or House members shall cause materials of any nature to be distributed in the House Chamber. Questions as to the propriety of such materials shall be referred to the Committee on Committees for resolution. Any material found so distributed by unauthorized individuals shall be collected from the members' desk and treated as litter.

RULES

Rule 75. Mason's Manual. In the absence of a specific rule of the House, *Mason's Manual of Legislative Procedure* shall govern the proceedings, except that in all cases where general parliamentary law provides for a rule of two-thirds, it shall mean in this House a majority of all members elected thereto.

Rule 76. Change of Rules. The rules of the House, after their adoption shall not be altered, changed, amended, suspended or interrupted, unless the same be done by a majority of the members elected to the House. No rule shall be suspended for the purpose of any action affecting the passage of a bill or resolution carrying the force of law unless the rule is suspended by a majority of the members elected to the House and by a roll call vote. Whenever a rule is suspended, no measure shall be considered under suspension except the measure or measures in whose favor the suspension was invoked, and only for that day.

HR 7 was adopted by voice vote.

Report of Committees

The Committee on Committees reported the following Committee appointments:

Rules

Rep. Blandford, Chairman
Rep. Bronger
Rep. Mark Brown
Rep. Larry Clark
Rep. Paul Clark
Rep. Donnermeyer
Rep. Johnson
Rep. Kerr
Rep. Maggard
Rep. McBee
Rep. Rapier
Rep. Richards
Rep. Riner
Rep. Stumbo
Rep. Worthington
Rep. Yates
Rep. Strong
Rep. Ken Harper
Rep. Lile
Rep. Ackerson
Rep. Walker

Enrolling Committee

Rep. Priddy, Chairwoman
Rep. White
Rep. Todd
Rep. Barrows
Rep. Stumbo

1989 HOUSE COMMITTEE MEMBERSHIP

Agriculture and Small Business

CHAIR: Rep. Clay Crupper
VICE-CHAIR: Rep. June Lyne
Rep. Sam McElroy
Rep. Jon Reinhardt

MEMBERS:
Rep. Ray Altman
Rep. Russell Bentley
Rep. Donnie Gedling
Rep. Stephen Keith
Rep. Ray Preston
Rep. Billy Smith
Rep. Adrian Arnold
Rep. Mark Farrow
Rep. Charles Geveden
Rep. Thomas Kerr
Rep. Jody Richards
Rep. Tommy Todd

Appropriations and Revenue

CHAIR: Rep. Joe Clarke
VICE-CHAIR: Rep. Walter Blevins
Rep. Danny Ford
Rep. Carl Nett

MEMBERS:
Rep. Joe Barrows
Rep. Larry Clark
Rep. Freed Curd
Rep. Ken Harper
Rep. Tom Jones
Rep. Jerry Lundergan
Rep. Roger Noe
Rep. Kenny Rapier
Rep. Billy Smith
Rep. Mark Brown
Rep. Gene Cline
Rep. Hank Hancock
Rep. Bob Heleringer
Rep. Marshall Long
Rep. Harry Moberly
Rep. Clarence Noland
Rep. Ernesto Scorsone
Rep. Richard Turner
Rep. Pete Worthington

Banking and Insurance

CHAIR: Rep. James Bruce
VICE-CHAIR: Rep. Albert Jones
Rep. Paul Richardson
Rep. Lawson Walker II

MEMBERS:
Rep. Jon Ackerson
Rep. Ray Altman
Rep. Bill Ark
Rep. Herbie Deskins
Rep. Porter Hatcher Jr.
Rep. Richard Lewis
Rep. Jerry Lundergan
Rep. Ramsey Morris
Rep. Lonnie Napier
Rep. Raymond Overstreet
Rep. Bobby Richardson
Rep. Billy Smith
Rep. Rex Smith

Business Organizations and Professions

CHAIR: Rep. Bill McBee

VICE-CHAIR: Rep. Jon Ackerson
Rep. Porter Hatcher Jr.
Rep. Jim Yates

MEMBERS:
Rep. Bill Ark
Rep. Jerry Bronger
Rep. Tom Burch
Rep. Denver Butler
Rep. Jim Callahan
Rep. Larry Clark
Rep. Clay Crupper
Rep. Bill Donnermeyer
Rep. Danny Ford
Rep. Leonard Gray
Rep. Ronny Layman
Rep. Bill Lear
Rep. Jon Reinhardt

Cities

CHAIR: Rep. Bill Donnermeyer

VICE-CHAIR: Rep. Jim LeMaster
Rep. Pearl Lefevers
Rep. Marshall Long

MEMBERS:
Rep. Denver Butler
Rep. Jim Callahan
Rep. Leonard Gray
Rep. John Harper
Rep. Ken Harper
Rep. Bob Heleringer
Rep. Bill Lear
Rep. Carl Nett
Rep. Anne Northup
Rep. Kenny Rapier
Rep. Martin Sheehan
Rep. Susan Stokes
Rep. Mike Ward

Counties and Special Districts

CHAIR: Rep. Adrian Arnold

VICE-CHAIR: Rep. Donnie Gedling
Rep. June Lyne
Rep. Ray Preston

MEMBERS:
Rep. Woody Allen
Rep. Russell Bentley
Rep. Dick Castleman
Rep. Bud Gregory
Rep. Hank Hancock
Rep. John Harper
Rep. David Hourigan
Rep. Sam McElroy
Rep. Tommy Todd
Rep. Caroline White
Rep. Jim Yates

Economic Development and Tourism

CHAIR: Rep. Dottie Priddy

VICE-CHAIR: Rep. Jim Callahan
Rep. Bud Gregory
Rep. Anne Northup

MEMBERS:
Rep. Rocky Adkins
Rep. Larry Clark
Rep. Mark Farrow
Rep. John Harper
Rep. Jerry Lundergan
Rep. Jim Maggard
Rep. Ray Mullinix
Rep. Tom Riner
Rep. Jerry Bronger
Rep. Gene Cline
Rep. Charles Geveden
Rep. Thomas Jensen
Rep. June Lyne
Rep. Paul Mason
Rep. A. Pritchett
Rep. Rex Smith
Rep. Lawson Walker II

Education

CHAIR: Rep. Roger Noe

VICE-CHAIR: Rep. Pat Freibert
Rep. David Hourigan
Rep. Louie Mack
Rep. Caroline White

MEMBERS:
Rep. Joe Barrows
Rep. Walter Blevins
Rep. Freed Curd
Rep. Stephen Keith
Rep. Pearl Lefevers
Rep. Clayton Little
Rep. Kenny Rapier
Rep. Ernesto Scorsone
Rep. Russell Bentley
Rep. Lindy Casebier
Rep. Tom Jones
Rep. Thomas Kerr
Rep. Bill Lile
Rep. Harry Moberly
Rep. Jody Richards
Rep. Mike Ward

Elections and Constitutional Amendments

CHAIR: Rep. Paul Clark

VICE-CHAIR: Rep. Bill Ark
Rep. Lindy Casebier
Rep. Mark Farrow

MEMBERS:
Rep. James Bruce
Rep. John Harper
Rep. Ronny Layman
Rep. Marshall Long
Rep. Ramsey Morris
Rep. Anne Northup
Rep. Leonard Gray
Rep. David Hourigan
Rep. Richard Lewis
Rep. Louie Mack
Rep. Clarence Noland
Rep. Martin Sheehan
Rep. Mike Ward

Energy

CHAIR: Rep. Bobby Richardson

VICE-CHAIR: Rep. Jerry Bronger
Rep. Dick Castleman
Rep. Richard Turner

MEMBERS:
Rep. Woody Allen
Rep. Eddie Ballard
Rep. Pat Freibert
Rep. Bud Gregory
Rep. Ronny Layman
Rep. Bill McBee
Rep. Charles Nelson
Rep. Mark O'Brien
Rep. Ray Preston
Rep. A. Pritchett
Rep. Paul Richardson
Rep. Charles Siler

Health and Welfare

CHAIR: Rep. Tom Burch

VICE-CHAIR: Rep. Louie Mack
Rep. Paul Mason
Rep. Tommy Todd

MEMBERS:
Rep. Walter Blevins
Rep. Paul Clark
Rep. Bill Donnermeyer
Rep. Pat Freibert
Rep. John Harper
Rep. Porter Hatcher Jr.
Rep. Clarence Jackson
Rep. Louis Johnson
Rep. Raymond Overstreet
Rep. Tom Riner
Rep. Ernesto Scorsone
Rep. Susan Stokes
Rep. Caroline White

Judiciary

CHAIR: Rep. Louis Johnson

VICE-CHAIR: Rep. Charles Geveden
Rep. Jon Reinhardt
Rep. Tom Riner

MEMBERS:
Rep. Jon Ackerson
Rep. Lindy Casebier
Rep. Herbie Deskins
Rep. Bob Heleringer
Rep. Tom Jones
Rep. Thomas Kerr
Rep. Jim LeMaster
Rep. Richard Lewis
Rep. Bill Lile
Rep. Carl Nett
Rep. Mark O'Brien
Rep. Raymond Overstreet
Rep. Dottie Priddy
Rep. Lawson Walker II

Labor and Industry

CHAIR: Ron Cyrus

VICE-CHAIR: Rep. Rocky Adkins
Rep. Clarence Jackson
Rep. Charles Siler

MEMBERS:
Rep. Mark Brown
Rep. Denver Butler
Rep. Paul Clark
Rep. Albert Jones
Rep. Stephen Keith
Rep. Pearl Lefevers
Rep. Clayton Little
Rep. Charles Nelson
Rep. Dottie Priddy
Rep. William Strong
Rep. James Zimmerman

Natural Resources and Environment

CHAIR: Rep. Herbie Deskins

VICE-CHAIR: Rep. Woody Allen
Rep. Mark Brown
Rep. Jim Maggard

MEMBERS:
Rep. Rocky Adkins
Rep. Eddie Ballard
Rep. Pearl Lefevers
Rep. Sam McElroy
Rep. Charles Nelson
Rep. Charles Siler
Rep. Adrian Arnold
Rep. Jim LeMaster
Rep. Paul Mason
Rep. Harry Moberly
Rep. Dorsey Ridley
Rep. Rex Smith
Rep. James Zimmerman

State Government

CHAIR: Rep. Ramsey Morris

VICE-CHAIR: Rep. Eddie Ballard
Rep. Lonnie Napier
Rep. Mark O'Brien

MEMBERS:
Rep. Joe Barrows
Rep. Ron Cyrus
Rep. Donnie Gedling
Rep. Albert Jones
Rep. Ray Mullinix
Rep. Bobby Richardson
Rep. Martin Sheehan
Rep. Richard Turner
Rep. James Bruce
Rep. Danny Ford
Rep. Thomas Jensen
Rep. Bill Lear
Rep. Jody Richards
Rep. Dorsey Ridley
Rep. William Strong
Rep. Pete Worthington
Rep. Jim Yates

Transportation

CHAIR: Rep. Clayton Little

VICE-CHAIR: Rep. Clarence Noland
Rep. A. Pritchett
Rep. Dorsey Ridley

MEMBERS:
Rep. Ray Altman
Rep. Gene Cline
Rep. Ron Cyrus
Rep. Hank Hancock
Rep. Jim Maggard
Rep. Anne Northup
Rep. Dick Castleman
Rep. Freed Curd
Rep. Bud Gregory
Rep. Clarence Jackson
Rep. Lonnie Napier
Rep. Paul Richardson
Rep. Pete Worthington

Representative Stumbo moved the adoption of the Report of the Committee on Committees. Agreed.

Motions, Petitions and Communications

Representative Barrows moved the rules be suspended to act upon a Legislative Citation. Agreed.

Representative Barrows moved the adoption of Legislative Citation No. 3. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby salutes Mike Heathman upon the occasion of his retirement as Public Works Director of the city of Versailles, having served ably in that capacity from 1971 to 1988. This former football standout at Versailles High School and World War II veteran is remembered by his neighbors as a successful realtor and car salesman as well, and for his work in the 1955 gubernatorial campaign of Happy Chandler. Mr. Heathman has played an important part in the growth

of Versailles since the days in which it seemed to many a sleepy little town where the pace was always slow. His biggest job as Public Works Director, which he has handled impressively, has been maintaining the local water supply, through the treat of frozen water lines, the flood of 1978, and the drought of 1984.

This prestigious body joins Representative Joe Barrows in saluting Mike Heathman for these accomplishments and wishes him continued success with every future endeavor. (Sponsored by Representative Barrows)

Representative Mason moved the rules be suspended to act upon a Legislative Citation. Agreed.

Representative Mason moved the adoption of Legislative Citation No. 1. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby commends James Andrew Sheldon for his extraordinary community spirit. For Perry County has long benefited from the enthusiasm and devotion James has fostered for the residents there. And, James' peers and colleagues have returned that devotion with respect and friendship. This honorable body salutes that flame that will burn eternal even though James has forever left Perry County in his seventy-sixth year for a better world. (Sponsored by Representative Mason)

Representative Worthington moved the adoption of the following **HR 8**:

HR 8, A RESOLUTION convening a legislative day of the 1990 Session of the House of Representatives in the Old State Capitol Building.

WHEREAS, the Commonwealth of Kentucky will celebrate its bicentennial in 1992; and

WHEREAS, citizen committees across the breadth of the state have already begun planning festivities in anticipation of this great event; and

WHEREAS, the 1990 session of the General Assembly will provide a perfect forum for members of this august body to participate in recognizing the upcoming bicentennial designed to honor our state's rich heritage and great pride; and

WHEREAS, the Kentucky General Assembly convened in the Old State Capitol Building on January 26, 1976 to celebrate the bicentennial of the United States of America; and

WHEREAS, it is only fitting to once again visit this historic shrine, the site of the drafting of our current state constitution, to celebrate the upcoming bicentennial of the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That when this body does convene in Regular Session in 1990 it shall determine a day to convene in the legislative chamber of the House of Representatives in the Old State Capitol of Kentucky, for the conduct of as much of the regular order of business for such day as it deems suitable.

Section 2. That the Clerk of the House is directed to coordinate the planning and scheduling of this event with Catherine P. Zwyer, Curator of the Kentucky Historical Society, Frankfort, Kentucky, with all arrangements being completed before sine die adjournment of this body during the 1989 organizational session.

Section 3. That the Clerk is hereby further directed to transmit a copy of this resolution to Ms. Catherine P. Zwyer at the Old State Capitol Building.

HR 8 was adopted by voice vote.

Representative Bentley moved the rules be suspended to act upon a Legislative Citation. Agreed.

Representative Bentley moved the adoption of Legislative Citation No. 2. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby cites and recognizes Phillip Mosley as a member of the Cordia High School Cross Country Track Team.

We commend you and your excellent coach, Elmer Combs, for the stamina and perseverance that has merited highest acclaim as Class A State Champions for 1988.

This prestigious body joins Representative Russell Bentley in saluting you for the honor you have bestowed on your family, school, community, and the Commonwealth of Kentucky. (Sponsored by Representative Bentley)

Representative Lundergan moved the adoption of the following **HR 3**:

HR 3, A RESOLUTION recognizing the one hundred fiftieth anniversary of the Kentucky Geological Survey.

WHEREAS, the members of the General Assembly of Kentucky are pleased to recognize the One Hundred Fiftieth Anniversary of the Kentucky Geological Survey; and

WHEREAS, early in the Commonwealth's history, the importance of establishing a Geological Survey of Kentucky, so that its mineral wealth and resources would be adequately understood and properly developed, was recognized by a group of forward-looking citizens, and on December 12, 1837, Senator Cyrus Wingate, representing the 28th Senatorial District, presented the memorial of the Carlisle Agricultural Society praying passage of a law for the establishment of a Geological Survey of the State. On the same day, Representative James T. Morehead of Franklin County presented to the House of Representatives a similar petition from the Franklin Agricultural Society. Both of these petitions were referred to the Committee on Internal Improvement, and on February 12, 1838, Senator Wingate again proposed a resolution to the Senate for the geological and mineralogical reconnaissance of the State. On February 16, 1838, the first official investigation of the mineral resources of Kentucky was authorized by Governor James Clark upon his approval of Senator Wingate's resolution; and

WHEREAS, Governor Clark appointed William W. Mather, who had previously served as State Geologist of New York and Ohio, to be the first State Geologist of Kentucky and to carry out the first official geological reconnaissance of the Commonwealth during the summer of 1838. The results of Mather's work, entitled "Report on the Geological Reconnaissance of Kentucky, Made in 1838," were published by legislative order as a State document in January 1839. Mather's findings outlined Kentucky's two major coal fields and discussed the State's other important mineral resources, as well as recognizing the great potential of using Kentucky's waterways as avenues of natural transportation for its mineral commodities; William Mather proved to have remarkable foresight in predicting future developments concerning the Commonwealth's natural resources; and

WHEREAS, there were no additional sanctioned geologic investigations in the State until 1854 when Dr. David Dale Owen was selected to be State Geologist and was commissioned to organize and staff the first continuing Kentucky Geological Survey. In its formative years, the Survey was responsible for carrying out geological and mineralogical studies throughout the State. As the years passed, these studies were extended to include stratigraphy, paleontology, geomorphology, and hydrology; and

WHEREAS, today, the Kentucky Geological Survey functions as a research and service bureau of the University of Kentucky charged by State statute to study the water, mineral, and energy resources of the Commonwealth and to make the results available to the public. In addition, the Survey participates in cooperative programs with the U.S. Geological Survey for topographic map revision and water resources investigations, and serves in an advisory capacity to numerous State agencies, providing data and advice concerning water resources, waste disposal, earthquakes and other geological hazards, reclamation, mine subsidence and development of mineral resources including coal, oil and natural gas, water, limestone, clay, sand and gravel, fluorspar, zinc, and oil shale. The Survey is designated by statute as the official repository for records of all oil and gas wells drilled in Kentucky and maintains information on an estimated 200,000 wells; the Survey's well sample and core library is the fifth largest facility of its type in the United States. Kentucky is the best mapped State in the Nation, having complete, detailed coverage of both topographic and geologic maps; in 1978 the Kentucky Geological Survey, in cooperation with the U.S. Geological Survey, was responsible for completion of the most extensive program of detailed geologic mapping ever undertaken. Kentucky leads

the Nation in coal production, and the Kentucky Geological Survey has developed one of the largest collections of coal-resource data in existence; and

WHEREAS, over the years, the Kentucky Geological Survey has geared its activities to meet the changing needs of the Commonwealth, and the current emphasis on the State's energy and water resources makes it essential that the Survey continue to direct its research and public service activities toward these areas. During the past one hundred fifty years, many dedicated geologists, chemists, chartographers, geographers, and technical and clerical staff members have worked tirelessly to advance knowledge about the geology of Kentucky. Although mineral resources have always occupied an important position within the Survey's work, other areas of investigation such as environmental geology, geologic hazards, land use, development and protection of water resources, and public policy involving geology and mineral resources have assumed more significant roles in recent years. In addition, new and more sophisticated methods of developing, storing, and retrieving technical information have evolved at the Survey; and

WHEREAS, it is altogether fitting that on its One Hundred Fiftieth Anniversary the Kentucky Geological Survey will be moving into the new Mining and Mineral Resources Building that is equipped with state-of-the-art laboratory facilities which will allow the Survey to further expand its research and service activities for the citizens of the Commonwealth. The Survey places great emphasis on maintaining a dialogue with the public through multifaceted public-service activities because public awareness and participation are essential to the Kentucky Geological Survey in attaining its goal of identifying, defining, and evaluating Kentucky's natural resources; and

WHEREAS, the Survey is currently divided into six sections, including Coal, Petroleum and Stratigraphy, Industrial and Metallic Minerals, Water Resources, Publications, and Computer Resources. As the staff members of the Kentucky Geological Survey celebrate the One Hundred Fiftieth Anniversary of its establishment, they can be proud of their contributions to the Commonwealth of Kentucky;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That we, the members of the Kentucky General Assembly, in adopting this Resolution, extend special recognition to the Kentucky Geological Survey and commend it for its many achievements throughout one hundred fifty years of outstanding service to the citizens of Kentucky.

Section 2. That the Clerk of the House of Representatives is directed to transmit copies of this resolution to the Kentucky Geological Survey and to the news media of Kentucky.

HR 3 was adopted by voice vote.

Representative Stumbo moved that the rules be suspended to allow co-sponsors of **HR 6**. Agreed.

Representative White requested that her name be added as Co-sponsor of **HR 6**. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **SCR 5** and **SCR 6** have been examined and found correctly enrolled. **SCR 5** and **SCR 6** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate.

Representative Stumbo moved that the reading of the Journal of this day, January 6, 1989 be dispensed with and the same approved. Agreed.

Representative Stumbo moved that the Journal of the House of Representatives for the Organizational Session of 1989 be approved. Agreed.

The Journal of the House of Representatives was read, compared and approved.

Adjournment

Representative Stumbo moved that the House adjourn until Tuesday, January 2, 1990 unless called into Extraordinary Session by the Governor.

On the roll call the vote was yeas 77—Adkins, Allen, Altman, Ark, Arnold, Ballard, Barrows, Bentley, Blandford, Blevins, Bronger, Brown, Bruce, Butler, Callahan, Castleman, L. Clark, P. Clark, Crupper, Curd, Cyrus, Donnermeyer, Ford, Gedling, Geveden, Gray, Gregory, K. Harper, Hatcher, Jackson, Jensen, Johnson, A. Jones, T. Jones, Keith, Kerr, Layman, Lear, Lefevers, Lewis, Lile, Little, Lundergan, Lyne, Mack, Maggard, Mason, McBee, McElroy,Morris, Mullinix, Napier, Nett, Noe, Noland, O'Brien, Preston, Priddy, Pritchett, Rapier, Reinhardt, Richards, P. Richardson, Ridley, Sheehan, Siler, B. Smith, Stokes, Stumbo, Todd, Turner, Walker, Ward, White, Worthington, Yates, Zimmerman. Nays 2—Hancock, LeMaster.

The motion to adjourn was adopted.

HISTORY OF HOUSE RESOLUTIONS

(Numbers refer to page of House Journal. The text of a resolution is given on first reading or adoption. Joint resolutions are designated HJR; concurrent resolutions are designated HCR.)

***Voting modifications appear at the member's name in the subject index.**

Res. No.	Intro-duced	Re-ferred	Re-ported	Readings 1st	Readings 2nd	Readings 3rd	Sub. or Amend	Voting*	Senate Message	Concur Activities	En-rolled	Other Action
HR 1	6							6				
HR 2	6							7				
HR 3	15							47				
HR 4	15							17				
HR 5	11							12				
HR 6	15							18				18, 47
HR 7	21							40				
HR 8	21							45				

HISTORY OF SENATE RESOLUTIONS

(Numbers refer to page of House Journal. The text of a resolution is given on first reading or adoption. Joint resolutions are designated SJR; concurrent resolutions are designated SCR.)

***Voting modifications appear at the member's name in the subject index.**

Bill No.	Senate Message	Referred	Reported	Readings 1st	Readings 2nd	Readings 3rd	Sub. or Amend.	Voting*	Concur Activities	Enrolled	Other Action
SCR 3	9							18			
SCR 5	12							16		47	
SCR 6	12							16		47	

1989 ORGANIZATIONAL SESSION
HOUSE JOURNAL INDEX

ACKERSON, JON
HR 6

ADKINS, ROCKY
HR 4

BLANDFORD, DONALD J.
HR 1, 2, 7, 8
Elected Speaker of House - p. 9

BLEVINS, WALTER
HR 4

BROWN, MARK
HR 4

COMMENDATIONS AND RECOGNITIONS
Brotherhood/Sisterhood month - SCR 6
Independence Express Soccer teams - HR 5
Kentucky Geological Survey - HR 3
Lewis, John L. - HR 4
U.S. Route 127 - SCR 5

CYRUS, RON
HR 4

DAVIS, WILLIAM E.
Elected Chief Doorkeeper - p. 6

DESKINS, HERBERT
HR 4

EMBRY, MARJORIE H.
Elected Janitor - p. 6

FORD, DANNY
HR 4

FORD, WENDELL H.
U.S. SENATOR
Address to Joint Session of General Assembly - p. 12

FREIBERT, PAT
HR 6

GENERAL ASSEMBLY
Adjournment - HR 5, 6; SCR 3
House Rules, permanent - HR 7
House Rules, temporary - HR 1
Invitation to pastors - HR 2
Joint session, address by U.S. Senator Wendell H. Ford - p. 12
1990 Session, meet in Old State Capitol - HR 8
Proclamation listing members of House - p. 1
Standing committees, appointment of membership - pp. 40-44

HAMMOND, MARTY
Elected Constitutional Page - p. 6

HARPER, KENNETH
Minority Caucus Chairman - p. 10

HIGHWAYS, STREETS, AND BRIDGES
U.S. Route 127 to be named - SCR 5

HOWARD, DOUGLAS
Elected Constitutional Page - p. 6

JENSEN, THOMAS
HR 4, 6

KEITH, STEPHEN
HR 4, 6

KERR, THOMAS
HR 5

LABOR
Lewis, John L. commemorative postage stamp - HR 4

LEFEVERS, PEARL RAY
HR 4, 6

LEGISLATIVE CITATIONS
Combs, Coach Elmer - L.C. 2, p. 46
Heathman, Mike - L.C. 3, p. 44
Mosley, Phillip - L.C. 2, p. 46
Sheldon, James Andrew - L.C. 1, p. 45

LILE, BILL
Minority Whip - p. 10

LUNDERGAN, JERRY
HR 3

LUSHER, AMY
Elected Constitutional Page - p. 6

MAGGARD, JIM
HR 4

MARSTON, EVELYN
Elected Chief Clerk - p. 6

MASON, PAUL
HR 4

MEMORIALS
Edrington, Johnny - HR 6

MINERALS AND MINING
Lewis, John L., commemorative postage stamp - HR 4

NAPIER, LONNIE
HR 4

NOLAND, CLARENCE
HR 4

PARRISH, LAWRENCE
Elected Cloakroom Keeper - p. 6

PRESTON, RAY
HR 4

PUBLIC BUILDINGS AND GROUNDS
1990 Session, meet in Old State Capitol - HR 8

RAPIER, KENNY
HR 7, 8
Majority Whip - p. 10

REINHARDT, JON DAVID
HR 4

RICHARDS, JODY
HR 1, 2, 8
Majority Caucus Chairman - p. 10

ROBINSON, ALBERT
Elected Cloakroom Keeper - p. 6

SECRETARY OF STATE
Proclamation listing members of House - p. 1

SILER, CHARLES
HR 4, 6

SLATTERY, EMMETT A.
Elected Sergeant At Arms - p. 6

STRONG, WILLIAM
HR 4
Minority Floor Leader - p. 10

STUMBO, GREGORY
HR 1, 2, 4
Majority Floor Leader - p. 10

TILLETT, TARA
Elected Constitutional Page - p. 6

TRANSPORTATION
U.S. Route 127 to be named - SCR 5

TURNER, RICHARD
HR 4, 6

WATTS, MARGARET
Elected Enrolling Clerk - p. 6

WHEAT, JULIE
Elected Assistant Clerk - p. 6

WORTHINGTON, PETE
HR 1, 2
Elected Speaker Pro Tempore of House - p. 9

ZIMMERMAN, JAMES
HR 4

JOURNAL

of the

HOUSE OF REPRESENTIVES

of the

General Assembly

of the

Commonwealth of Kentucky

Extraordinary Session of 1989

Held in the State Capitol in the Capital City of Frankfort, at
Frankfort, in the Year of Our Lord 1989, and
in the One Hundred and Ninety-Seventh
Year of the Commonwealth

Begun on the Sixth Day of January, 1989, and Adjourned
Sine Die on the Sixth Day of January, 1989.

Paid for from state funds.

FOREWORD

The Constitution requires each house of the General Assembly to keep a Journal of its proceedings. The Journal is intended to assure a public account of legislative activity and constitutes the final official record of action by the General Assembly.

Under the provisions of Sections 6.161, 6.162 and 57.151 of the *Kentucky Revised Statutes*, the Legislative Research Commission is responsible for comparing, editing, correcting, and publishing the Journals as approved by each house of the General Assembly. This volume represents the fulfillment of this obligation for the Extraordinary Session of the House of Representatives of 1989.

The text of a bill is spread in full when it receives a first reading. The vote on passage of a bill is indicated upon its receipt of a third reading, or upon concurrence by the originating house in amendments by the second house. Simple and concurrent resolutions are printed on first reading when applicable or when adopted, and joint resolutions are treated as bills. A table of actions on bills and resolutions is appended.

Mrs. Jean Wallace and Mrs. Wilda Bond prepared the House Journal for the 1989 Extraordinary Session. The edited copy and index in this volume reflect the cooperative efforts of the Commission's staff.

VIC HELLARD, JR.
Director

The Capitol
Frankfort, Kentucky
1989

JOURNAL
OF THE
HOUSE OF REPRESENTATIVES
OF THE
GENERAL ASSEMBLY
of the
COMMONWEALTH OF KENTUCKY

OF THE
EXTRAORDINARY SESSION OF 1989

FRIDAY, JANUARY 6, 1989

FIRST LEGISLATIVE DAY

At an Extraordinary Session of the General Assembly of the Commonwealth of Kentucky, held at the Capitol in the City of Frankfort, and begun on January 6, 1989, the one hundred and ninety-seventh year of the Commonwealth, in compliance with a Proclamation issued by the Governor of the Commonwealth of Kentucky, the Honorable Wallace G. Wilkinson, the House of Representatives was called to order by the Honorable Donald J. Blandford, Speaker of the House of Representatives.

Prayer by Representative Paul Clark.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Cline, Deskins, J. Harper, Heleringer, Hourigan, Jensen, Noe, Overstreet, B. Richardson and R. Smith.

Representative McElroy moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

The Clerk read the following Proclamation:

PROCLAMATION BY
GOVERNOR WALLACE G. WILKINSON
COMMONWEALTH OF KENTUCKY

To All To Whom These Presents Shall Come:

Pursuant to the power vested in me by Section 80 of the Constitution of the Commonwealth of Kentucky, I, Wallace G. Wilkinson, Governor of the Commonwealth of Kentucky, do issue this my proclamation, convening the Kentucky General Assembly in Extraordinary Session at the Seat of Government, Frankfort, Kentucky at 10:00 a.m. (EST), Friday, January, 6, 1989, for the sole purpose of considering the following subject:

(1) Confirmation by the Senate of gubernatorial appointments to the board of directors of the Kentucky Lottery Corporation.

DONE AT THE CAPITOL, in the City of Frankfort, this the 6th day of January, in the year of our Lord One Thousand Nine Hundred Eighty-nine and in the year of the Commonwealth the One Hundred Ninety-seventh.

s/WALLACE G. WILKINSON, Governor

s/BREMER EHRLER, Secretary of State

Introduction of Bills and Resolutions

HR 1, by Representative Casebier: A RESOLUTION honoring Representative Bill Lile.

HR 2, by Representative T. Jones: A RESOLUTION adjourning the House of Representatives in honor of the birth of Elvis Aaron Presley.

HR 3, by Representative Blandford: A RESOLUTION adopting rules to govern the 1989 extraordinary session of the House of Representatives.

Motions, Petitions and Communications

Representative Stumbo moved the rules be suspended to act upon Resolutions. Agreed.

Representative Stumbo moved the adoption of the following **HR 3**:

HR 3, A RESOLUTION adopting rules to govern the 1989 extraordinary session of the House of Representatives.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That the permanent rules adopted by the House of Representatives during the 1989 organizational session of the House of Representatives be adopted as the rules governing the 1989 extraordinary session of the House of Representatives.

HR 3 was adopted by voice vote.

Representative Casebier moved the adoption of the following **HR 1**:

HR 1, A RESOLUTION honoring Representative Bill Lile.

WHEREAS, today is the birthday of the distinguished representative from the twenty-eighth district, Bill Lile; and

WHEREAS, Bill Lile has ably served his constituents and the Commonwealth as well for five terms in the General Assembly; and

WHEREAS, Bill Lile has reached the ripe old age of forty-three with all of his hair and most of his faculties intact;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body extends birthday greetings and the sincere wish for many happy returns to its valued colleague, Bill Lile.

Section 2. That a copy of this resolution be delivered to Bill Lile.

HR 1 was adopted by voice vote.

Announcements

Representative Stumbo moved that no further business be conducted on this day except approval of the

Journal of the First Extraordinary Session of 1989, Senate Messages, acting on Senate Resolutions and adjournment. Agreed.

Representative Stumbo moved that when the House adjourns, it do so by voice vote. Agreed.

Recess

Representative Stumbo moved that the House recess until the hour of 12 noon. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Senate Message

Announcing passage of SCR 1.

Recess

Representative Worthington moved that the House recess until the hour of 3:00 p.m. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Recess

Representative Stumbo moved that the House recess until the hour of 4:00 p.m. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Representative Stumbo moved the rules be suspended to act upon a Resolution. Agreed.

Representative Stumbo moved the adoption of the following SCR 1:

SCR 1, A CONCURRENT RESOLUTION to adjourn the 1989 Extraordinary Session of the General Assembly sine die.

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That when the Senate and the House of Representatives adjourn on Friday, January 6, 1989, they do adjourn the 1989 Extraordinary Session of the General Assembly sine die.

SCR 1 was adopted by voice vote.

Representative Stumbo moved that the reading of the Journal of this day, January 6, 1989 be dispensed with and the same approved. Agreed.

The Journal of the House of Representatives was read, compared and approved.

Adjournment

Representative Stumbo moved that the House adjourn until Tuesday, January 2, 1990 unless called into Extraordinary Session by the Governor.

The motion that the House adjourn was adopted by voice vote.

The House adjourned sine die.

HISTORY OF HOUSE RESOLUTIONS

(Numbers refer to page of House Journal. The text of a resolution is given on first reading or adoption. Joint resolutions are designated HJR; concurrent resolutions are designated HCR.)

***Voting modifications appear at the member's name in the subject index.**

Res. No.	Intro-duced	Re-ferred	Re-ported	Readings 1st	Readings 2nd	Readings 3rd	Sub. or Amend	Voting*	Senate Message	Concur Activities	En-rolled	Other Action
HR 1	2							2				
HR 2	2											
HR 3	2							2				

HISTORY OF SENATE RESOLUTIONS

(Numbers refer to page of House Journal. The text of a resolution is given on first reading or adoption. Joint resolutions are designated SJR; concurrent resolutions are designated SCR.)

***Voting modifications appear at the member's name in the subject index.**

Bill No.	Senate Message	Referred	Reported	Readings 1st	Readings 2nd	Readings 3rd	Sub. or Amend	Voting*	Concur Activities	Enrolled	Other Action
SCR 1	3							3			

1989 EXTRAORDINARY SESSION
HOUSE JOURNAL INDEX

BLANDFORD, DONALD J.
HR 3

CASEBIER, LINDY
HR 1

COMMENDATONS AND RECOGNITIONS
Lile, Rep. Bill - HR 1
Presley, Elvis - HR 2

GENERAL ASSEMBLY
Adjournment - HR 2; SCR 1
House Rules - HR 3

GOVERNOR
Proclamation convening session - p. 1

JONES, TOM
HR 2